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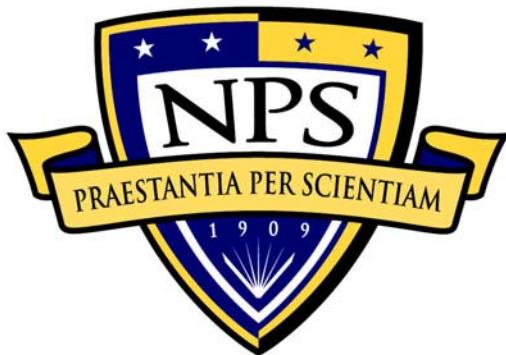


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# NAVAL POSTGRADUATE SCHOOL

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## JOINT APPLIED PROJECT

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### Implementation of the National Security Personnel System at the U.S. Army Chemical Material Agency

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By: **Gary L. Hlavsa**  
**June 2008**

Advisors: **Brad R. Naegle**  
**Gail Fann Thomas**

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**IMPLEMENTATION OF THE  
NATIONAL SECURITY PERSONNEL SYSTEM  
AT THE  
U.S. ARMY CHEMICAL MATERIALS AGENCY**

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Submitted in partial fulfillment of the requirements for the degree of

**MASTER OF SCIENCE IN PROGRAM MANAGEMENT**

from the

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# **IMPLEMENTATION OF THE NATIONAL SECURITY PERSONNEL SYSTEM AT THE U.S. ARMY CHEMICAL MATERIALS AGENCY**

## **ABSTRACT**

This Joint Applied Project evaluates the effectiveness of the implementation of the National Security Personnel System (NSPS) at the U.S. Army Chemical Materials Agency at the Aberdeen Proving Ground in Maryland. This research identifies the areas of the implementation of the NSPS that may have fallen short of the Agency's expectations and recommends possible areas to improve the current management/employee relationship at the Chemical Materials Agency. Twenty-eight (28) Chemical Materials Agency civilian employees, at various levels of responsibilities, were surveyed to determine, from their perspective, how effectively the NSPS had been implemented at the Chemical Materials Agency, and if it had an effect on their job performance or morale.

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## LIST OF ACRONYMS AND ABBREVIATIONS

AAR	After Action Report
AMC	U.S. Army Material Command
ASA(ALT)	Assistant Secretary of the Army for Acquisition, Logistics and Technology
BoE	Bureau of Efficiency
BRAC	Base Closure and Realignment Commission
Chem Demil	Chemical Demilitarization
CMA	U.S. Army Chemical Materials Agency
CPAC	Civilian Personnel Advisory Center
DA	Department of the Army
DoD	Department of Defense
FEPCA	Federal Employees Pay Comparability Act
FES	Federal Evaluation System
GS	General Schedule
MPS	Merit Pay System
NSPS	National Security Personnel System
OPM	Office of Personnel Management
PM	Program Manager
PMP	Personnel Management Project
PMRS	Performance Management and Recognition System
QSI	Quality Step Increase
RDECOM	Research Development and Engineering Center
SES	Senior Executive Service

TAPES	Total Army Performance Evaluation System
TSP	Thrift Savings Plan
U.S.	United States
U.S.C.	United States Code

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## EXECUTIVE SUMMARY

The General Schedule Compensation System has been criticized that it is “outdated” and that employees receive pay increases primarily due to non-performance based measures. The Department of Defense (DoD) is now implementing the NSPS as a “pay-for-performance” compensation system. In 2006, the director of the U.S. Army Chemical Materials Agency (CMA) announced his decision to include the CMA in Spiral 1.2 of the National Security Personnel System (NSPS). Later that year, the director announced that the official start of the NSPS at CMA would be November 12, 2006. The objective of this research was to examine the process by which the NSPS was implemented at the CMA. Through input provided by CMA employees, this research analyzed the degree of effectiveness for the implementation of the NSPS at the CMA, and analyzed the areas and decisions that impacted personnel motivation throughout the command.

With the use of questionnaires, responses were solicited from multiple offices within the CMA, ranging from the Office of the Director, project management offices, and support offices. Data was collected from responses to questionnaires from 28 CMA employees ranging from administrative staff to upper management. The data received from the questionnaires was compiled and grouped into five major topic areas for analysis, specifically: demographics, administrative, motivational, implementation effectiveness, and management.

According to survey responses from the Non-Management participants, the implementation of the NSPS at CMA resulted in the dissemination of erroneous information, a lack of openness, and a poorly planned implementation strategy that resulted in a general lack of trust in the NSPS and CMA Management. Even though the NSPS is being promoted as a “pay-for-performance” compensation system, the Non-Management participants thought that the Mock Pay Pool appeared to indicate that employee appraisals were not based on individual accomplishments, but based on a pre-determined rating quota.

The data collected from CMA Management participants generally appeared to be diametrically opposite the views expressed by the Non-Management participants. Although the responses received from the CMA Management participants expressed concerns that the implementation of the NSPS had increased their workload as managers, their responses also articulated optimism that the newly implemented system would allow them to more efficiently manage their subordinates. Management responses to the questionnaires also expressed confidence that the NSPS would aid in retaining and attracting new, qualified employees to fill vacancies impeding them from meeting mission goals.

Based on the responses obtained from the employee questionnaires and the evaluation of the data compiled, this research has made the primary recommendation that the CMA Management strive to re-establish credibility with the agency employees. Additional recommendations made by this research suggest that CMA Management identify, and correct, NSPS issues that remain unresolved, and conduct an internal survey, similar to this research, to determine employee perception of the NSPS one to two years after implementations is completed.

## **I. INTRODUCTION**

### **A. BACKGROUND**

Prior to the implementation of the National Security Personnel System (NSPS), the Department of Defense (DoD) announced that the NSPS would be implemented by a series of spirals. The first NSPS spiral, identified as Spiral 1.1, brought 11,000 Federal Employees under the NSPS on April 30, 2006. The second spiral (designated as Spiral 1.2) of the NSPS was implemented between October 2006 and January 2007 and brought 66,500 Federal Employees under the NSPS. In 2006, the director of U.S. Army Chemical Materials Agency (CMA) announced his decision to include the CMA in Spiral 1.2 of the NSPS. Later that year, the director announced that the official start of the NSPS at CMA would be November 12, 2006. To inform the workforce on the details of the NSPS, the CMA Human Resource office embarked on a series of sessions that would provide the workforce an understanding of the NSPS, how it was to be implemented, and how it would affect each individual. These sessions were presented in numerous forms: Town Hall meetings, memorandums, face-to-face training sessions and internet training sessions.

### **B. PURPOSE OF THE RESEARCH**

The objective of this project is to examine the process by which the National Security Personnel System (NSPS) was implemented at the U.S. Army Chemical Materials Agency. Through this examination, this paper will consider the criticism that the current compensation system is “outdated” and “ineffective.” Using organizational behavior models, theorems, and responses to questionnaires, this analysis evaluates the effectiveness of the U.S. Army Chemical Materials Agency’s implementation of the NSPS. The goal of this research is to analyze the degree of effectiveness for the implementation of the NSPS at the CMA, and analyze the areas and decisions that impacted personnel motivation throughout the command.

## **C. METHODOLOGY**

The data collected for this research were gathered from survey questionnaires submitted to numerous employees within the CMA agency. The survey included five categories considered pertinent to this analysis. These five categories were: Administrative, Motivational, NSPS Implementation Effectiveness, Management, and Demographics. The survey was administered to three groups of employees: CMA Management, Non-Supervisory CMA personnel and Personnel matrixed to CMA. Each group was provided an independent configuration of questions. Following receipt of the responses from the questionnaire and comments provided by the research participants, the raw data were compiled and analyzed. The analysis was used to form conclusions and recommendations for this research.

## **D. ORGANIZATION**

This research is divided into four chapters and seven appendices. The chapters and appendices are portrayed below with a brief explanation of what they contain:

### **I. Introduction**

The introduction provides a brief overview of the research that was conducted.

### **II. Literature and Research Methodology**

This section provides a background of the General Schedule Compensation system, briefly discusses how the NSPS was implemented at the U.S. Army Chemical Material Agency, and provides a discussion on how this research was conducted.

### **III. Data Analysis**

This section portrays the raw data obtained from each question and reformats it into comparable groups based on the participants' GS grade and draws an analysis from the data provided.

#### **IV. Conclusions and Recommendations**

This section consolidates the analyses discussed previously, and formulates conclusions and recommendations.

#### **Appendix A**

The appendix portrays the U. S. Army Chemical Materials Agency memorandum providing direction on establishing control points within Pay Bands.

#### **Appendix B**

This appendix portrays the questions asked to the Management participants.

#### **Appendix C**

This appendix portrays the questions asked to the Matrix participants.

#### **Appendix D**

This appendix portrays the questions asked to the Non-Management participants.

#### **Appendix E**

This appendix consolidates the demographic data obtained from the research participants.

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## II. LITERATURE AND RESEARCH METHODOLOGY

### A. HISTORY OF THE GENERAL SCHEDULE (GS)

#### 1. Overview

The following paragraphs provide a synopsis the evolution of white-collar Federal workers from the inception of the General Schedule (GS), through the numerous changes and modifications, to the recently incorporated National Security Personnel System (NSPS). Most of this history was obtained from the U.S. Office of Personnel Management website such as “Biography of an Ideal – A History of the Federal Civil Service” (*Office of Personnel Management, September 2007*) and “Evolution of Federal White-Collar Pay” (*Office of Personnel Management, October 2007*).

Most white-collar Federal workers are under the GS pay system which was created by the Classification Act of 1949 on the basis of “equal compensation for equal work irrespective of sex.” Prior to World War II the Bureau of Efficiency (BoE) tried to develop employee efficiency rating methods for Executive Branch agencies to use. The BoE, however, found that greater uniformity in job classifications and pay rates was necessary in order to implement an effective system, hence the creation of the GS system in 1949. At that time, the most common grade for a Government worker was the GS3 clerk. By the year 2000, the most common grade had increased to GS12 as a result of a significant increase in the number of technical positions such as Engineers, Scientists, and Information Technology. The GS pay system includes hundreds of job classifications in one pay scale: secretaries, lawyers, engineers, managers and researchers, to name a few.

Today, the GS system consists of 15 grades, with 10 pay steps within each grade, and a maximum within-grade pay span of 30 percent. The Civil Service Reform Act of 1978 eliminated three GS “super grades” (i.e., GS16, GS17 and GS18). These grades were replaced by the Senior Executive Service (SES) and the Senior Level (non-supervisory) pay scale.

In the GS system, an employee receives pay increases primarily due to non-performance based measures such as inflation/price index, time in grade, and locality differential increases. Although an employee can receive an increase in pay due to individual performance through a one-time monetary bonus, or a Quality Step Increase (QSI), it would be very unusual for an employee to receive either of these each year.

The President (through Executive Order) or Congress (through legislation) is able to make changes to the GS pay schedule, which is operated by the Office of Personnel Management (OPM). The Federal Employees Pay Comparability Act (FEPCA) provides an automatic formula to determine the annual pay raise, but the formula is rarely used, due to the cost of implementation. Generally, at the beginning of the calendar year, the President advises annual across-the-board pay adjustments after Congress has passed the annual appropriations legislation for the Federal Government. Congress will determine the amount of pay raise, which is usually higher than the President's proposal. The higher amount is an attempt to keep civilian salaries more in line with military pay, which has become higher since the attacks on the World Trade Center on September 11, commonly referred to as 9-1-1.

A typical entry-level position is generally in the GS 1-7 range; mid-level is GS 8-12; and top-level is GS 13-15. A new GS employee is usually hired in the first step of their assigned GS grade, although legislation authorizes placement into a higher step as a recruiting incentive. Each step above step 1 is normally earned after a pre-determined period of service, such as one, two or three year intervals, based on satisfactory performance. If an employee earns an outstanding work performance review, then that employee can advance to a higher step QSI.

An employee who is hired in a professional position that is designed for college graduates has the opportunity to advance the "career ladder." Most career ladders advance in two-grade intervals, from GS5 to GS7, from GS7 to GS9, and from GS9 to GS11. Once GS11 is reached, promotions then progress normally in one-grade intervals, from GS11 to GS12, from GS12 to GS13, etc. until the full performance has been reached. The full performance target grade for a career ladder will range from GS11 to GS13. A GS14 or GS15 position is almost always the result of competition for a vacant

position. One-grade intervals are also common for clerical and administrative positions that are usually between grades GS3 to GS9. Advancing to a higher grade for an employee in a clerical or administrative position would be the result of competing for a position when it is available.

Prior to the FEPICA of 1990, all GS employees were paid the same amount regardless of where they worked. However, FEPICA introduced a locality pay system which provides an additional amount for each grade varying by region within the continental United States. The rate is not based on cost of living fluctuations or regional considerations, but rather the cost of employment in a given area as measured by the Department of Labor's Employment Cost Index, which does not correlate to the Consumer Price Index that tracks consumer prices. Locality pay, however, has never been fully implemented since both Republican and Democratic administrations are not satisfied with the way that it is calculated.

Personnel who work outside of the continental United States (e.g., Alaska, Hawaii, U.S. territories, foreign overseas areas) may receive non-taxable allowances such as cost-of-living allowances or housing allowances, but they do not receive locality adjustments. Many overseas assignments are in demand due to the generous housing allowances. Conversely, Federal civilian workers based in the United States do not normally receive housing allowances or Government housing, but they are eligible for locality pay.

*a. Classifying Positions in the GS System*

Title 5, United States Code, requires the OPM to define Federal occupations by position titles and the grades of various levels of work. Therefore, OPM will approve and issue position classification standards that agencies are required to use for personnel, budget and fiscal purposes.

The GS system includes twenty-two broad occupational groups with a separate series that represent occupations within that group. The series includes the following categories of work: professional, administrative, technical, clerical and other. Choosing the correct series is usually a straightforward process achieved by reviewing

the duties and responsibilities of a position. Some examples of each series are: professional – attorney, medical officer, biologist, administrative – personnel management specialist, budget analyst, general supply specialist, technical – forestry technician, accounting technician, pharmacy technician, clerical – secretary, office automation clerk, mail clerk, other – firefighter, various law enforcement occupations.

The main criteria used to classify positions are the duties and responsibilities assigned to a particular position, along with the qualifications that are required. The grade levels of the GS are the basis for the position classification standards and they are defined in Section 5104 of Title 5.

As Federal agencies have delegated authority to both personnel and operating officials to classify positions, it is crucial that the underlying principles and policies of classification be understood and applied responsibly. Occupations may change over time, but the principle duties, responsibilities and qualifications required remain the same.

The OPM is continually writing new standards, conducting occupational studies and analyzing new trends in the workforce. Generally, OPM will develop classification standards but sometimes an individual agency, with oversight from OPM, will develop a standard for an occupation that exists only at that organization. OPM will approve and issue the standards, which becomes the official document used for classifying that particular position.

The process that OPM uses to classify positions is involved and thorough. The process begins with a need to research an occupational area. OPM will gather information from agencies regarding the occupation. A standards writer will review the information and visit different locations recommended by the agencies to gather information from employees performing the work and their supervisors. The standards writer may also obtain information from managers, personnel specialists, representatives of unions and professional groups.

After reviewing all of the information, the standards writer will draft a standard that is given to agencies for review, test application and feedback. Several

drafts may be necessary, using data received from the agencies. When the final draft is finished, the new standard is issued, replacing the old standard, and distributed to all Federal agencies for use. Classification standards are effective until OPM eliminates or replaces them.

Standards are written in several formats. Some are written to cover individual occupations or series, such as the standard for Accounting Series, GS-520, or the standard for the Secretary Series, GS-318, while others cover a group of related occupations or series, such as the standard for the Personnel Management Series, GS - 201, which covers a series in the GS-200 group. Some standards are written to evaluate positions that cross over occupational lines, such as the Office of Automation Evaluation Guide and the Grade Level Guide for Instructional Work.

***b. Determining Grades in the GS System***

The process used to determine grades in non-supervisory positions in the GS system is the Factor Evaluation System (FES). The FES includes the following factors when determining grades: knowledge required by the position, supervisory controls, guidelines, job complexity, scope and effect, personal contacts, purpose of contacts, physical demands, and work environment. The foundation of the FES is the primary standard which describes the basic levels of the nine factors and applies a point value for each one. Each grade from GS-1 through GS-15 has a range of total point values.

At times, two different levels of work in one position occur, and they must be evaluated separately to determine the correct grade. It is important to show any major differences in the way the factors apply to the different kinds or levels of work when using the FES system so that the position is applied to the correct grade.

***c. Civilian/Military Grade Equivalencies***

Even though GS civilians do not have military rank, there are some civilian/military grade equivalencies for protocol purposes. For instance, a GS9 is considered to be equivalent to a First lieutenant or Lieutenant Junior Grade (O-2) and the

top of the GS schedule, the GS-15, is equivalent to a Colonel or Navy Captain (O-6). Senior Executive Service and Senior Level grades correspond to Generals and Admirals.

*d. Performance-Based Pay Scale*

President George W. Bush has proposed the eventual elimination of the GS system with the replacement being a pay-for-performance system. This will allow Government employees the opportunity to receive pay increases based on merit and work rather than seniority and length of service. This idea is highly controversial and is being challenged by Federal labor unions and other employee groups. The National Security Personnel System (NSPS) was created for the Departments of Homeland Security and Defense as a pay-for-performance plan and it is currently being used in various agencies throughout the Government.

**2. Changes to the General Schedule**

*a. Incentive Awards Act, 5 United States Code (U.S.C.) 4501-4507*

Financial incentives to reward superior performance were first introduced by the Incentive Award Act of 1954. As a result of this Act, Federal Government managers were authorized to acknowledge job performance of their employees with monetary awards for superior accomplishments, suggestions, inventions, special acts or services, or other personal efforts. Following the implementation of the GS Classification System, this was clearly the first attempt for the Federal Government to recognize and reward superior employee performance (i.e., pay-for-performance). The intent of the Incentive Award Act was later reinforced with the passage of the Salary Reform Act in 1962.

*b. Salary Reform Act, Public Law 87-793*

The passing of the Salary Reform Act in 1962, by President John F. Kennedy, amended the GS Classification System in three significant areas: (1) The Act acknowledged the salary division between Federal salaries and comparable salaries

within private enterprise, (2) The Act established an “acceptable level of competence” for granting of GS within-grade increases, and (3) It also authorized an additional step increase (or Quality Step Increase – QSI) for “high quality” employee performance. The changes made by the Salary Reform Act provided guidance in performance management for the Federal Government until the passage of the Civil Service Reform in 1978.

*c. Civil Service Reform Act, Public Law 95-454*

Civil Service Reform was central to President Carter’s election campaign. As such, one of President Carter’s first official acts was to establish a Personnel Management Project (PMP) to assist him and his staff in the redesign of the civil service. The PMP released a report in December 1977 specifying well over 100 specific recommendations for civil reform. The recommendations made in this report were the foundation of the Civil Service Reform Act, which was signed into law in 1978.

President Carter’s Civil Service Reform was developed in two distinct parts. The first component of the Reform was identified as the Reorganization Plan Number 2, and preceded the actual reform legislation. Within the first part of this Reform, President Carter abolished the Civil Service Commission and replaced it with the Office of Personnel Management, the Merit Systems Protection Board, and the Federal Labor Relations Authority. The second component of President Carter’s civil service reform was the Civil Service Reform Act itself, which focused on a number of provisions intended to improve the performance of the Federal civil service. The major provisions of the Civil Service Reform Act included: (1) the creation of the Senior Executive Service, which was to be the Federal Government’s managerial elite, (2) the establishment of performance appraisals for all Federal employees, and (3) establishing of pay-for-performance for the Federal Government’s middle managers (GS 13-15).

• **Performance Appraisals.** Under the performance appraisal requirements of the Civil Service Reform Act, each Federal agency was tasked to develop an employee performance appraisal system that: (1) ensured the periodic appraisal of employee job performance, (2) encouraged employee participations in establishing

performance goals, and (3) used performance appraisals as a basis for awards, promotions, training, and retaining and removing of employees.

- **Merit Pay System (MPS).** The Civil Service Reform Act also built upon the Incentive Award Act of 1954 by creating new guidelines for pay-for-performance targeted for the Federal Government's middle managers (GS 13-15). The intent of the Act was to motivate middle-level managers to perform at higher levels by tying their performance to financial incentives. Under the merit pay system, only one-half of the comparability adjustment, was automatically provided to the employees. The remain half of the comparability adjustment and QSI monies were pooled together and distributed in accordance with the employee's performance rating.

*d. Performance Management Recognition System (PMRS), Public Law 101-103*

The Performance Management and Recognition System (PMRS) Act was signed into law in 1985, but quickly became apparent that the PMRS itself was performing poorly when compared to its established objectives. The PMRS replaced the MPS for managers in GS grades 13, 14, and 15, and attempted to resolve numerous MPS problematic issues. Under the PMRS, middle managers were rated at one of five rating levels: fully successful, two distinct levels below fully successful and two distinct levels above fully successful. Under the PMRS, middle managers receiving a fully successful performance rating (or higher) were assured to receive: (1) the full general pay or comparability increase, (2) eligibility for merit increases, and (3) qualified for performance awards or bonuses. The PMRS was ultimately abolished under the Performance Management and Recognition System Termination Act of 1993 (Public Law 103-89).

*e. Federal Employees Pay Comparability Act*

The Federal Employees Pay Comparability Act (FEPCA) was designed to improve the Federal Government's ability to recruit and retain highly experienced engineers and scientists. The Act was passed in November 1990 and was intended to establish new procedures that would gradually increase engineers' and scientists' salaries

to almost that of commercial salaries, for comparable work and responsibilities. The Act provided the authority for Government managers to: (1) offer recruitment and retention incentives to attract or retain highly qualified individuals, (2) set a special rate pay at 30 percent above the specified grade, (3) hire new employees above the minimum rate for all grades, and (4) granted managers the ability to grant “time off” as an incentive award to superior performing employees.

Although the FEPCA provided a formula to establish the annual pay raise, history has shown that this formula is usually ignored due to the cost of implementing it. Both Democratic and Republican administrations have complained about the methods used to calculate the locality adjustments established by the FEPCA. As a result the FEPCA has never been fully implemented.

*f. National Security Personnel System (NSPS)*

The Federal Employee pay system remained largely unchanged until the spring of 2003, when the Bush administration asked Congress permission to revamp the Federal personnel pay policy covering civilian employees within the Department of Defense (DoD). This system was proposed by the Secretary of Defense, Donald Rumsfeld and his Deputy, Paul Wolfowitz, and became known as the National Security Personnel System (NSPS).

Under the NSPS, the DoD intends to modernize the Federal pay system by the reclassifying of jobs and placing employees in broad pay bands that are intended to provide managers more flexibility in hiring, setting employee raises, and retaining the caliber of employees necessary to meet to meet their mission goals and objectives. The basis of the NSPS is “pay-for-performance.”

As expressed in a case research conducted by the U.S. Office of Personnel Management (*OPM, April 2002*), the success of a performance-oriented pay system depends on the establishment of a quality performance management system. To obtain this goal, it was recommended that the Government:

- Establish the essential principles of equity, procedural justice, and openness.
- Convey to employees an unambiguous message that performance matters.
- Establish an effective pay-for-performance strategy that is embraced by the employees, and emphasized by management. Ineffective pay-for-performance systems can produce a lack of credibility in both the employees and management.

## **B. U.S. ARMY CHEMICAL MATERIALS AGENCY**

### **1. Overview**

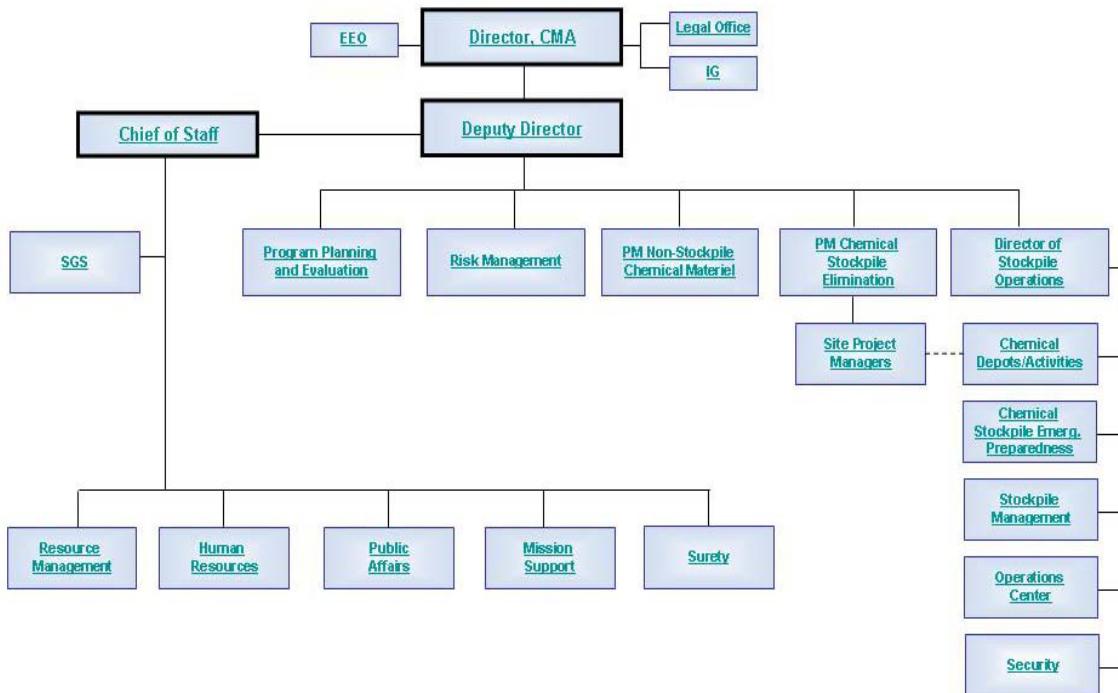
The U.S. Army Chemical Materials Agency (CMA) was established by the Assistant Secretary of the Army for Acquisition, Logistics and Technology (ASA(ALT)) on 1 December 2003. The CMA was established as an agency under the U.S. Army Materiel Command (AMC). The mission of CMA was defined as:

The mission of the U.S. Army Chemical Material is to enhance national security by eliminating chemical materiel, while protecting the workforce, the public and the environment to the maximum extent, and to fulfill national defense needs by providing specialized productions and capabilities for our warriors and homeland defenders through efficient and effective use of resources. (U.S. Army, 2006, September 27)

As portrayed in Figure 2-1, the CMA consists of six primary program offices along with numerous support offices. The primary program offices are:

- Chief of Staff
- Program Planning and Evaluation
- Risk Management
- The Program Manager for Non-Stockpile Chemical Materiel
- The Program Manager for Chemical Stockpile Elimination, and
- The Director of Stockpile Operations

**Figure 2-1. CMA Organizational Chart (US Army, 2006, September 27)**



## 2. Workforce

Each of the primary offices, and support offices, consist of a combination of “core” personnel and “matrix” personnel. The core personnel are CMA employees that would hold positions such as Director, Program Manager (PM), Team Chief, Team Leader, or Secretary. The remaining workforce is comprised of technical personnel (primarily engineers) that are largely responsible for the day-to-day actions of managing and coordinating numerous projects in support of the CMA mission. These technical personnel are comprised of two groups known as “core” and “matrix.” The “core” personnel are typically a grade of GS13 and are CMA employees (currently under the NSPS). The second group is a “matrix” of personnel, also typically a grade of GS13, but are not CMA employees (currently under the GS system). The matrix personnel are employees of the Engineering Directorate of the Research Development and Engineering Command (RDECOM). The matrix personnel are provided to the PM offices through a written Memorandum of Agreement between the CMA and RDECOM. Although the

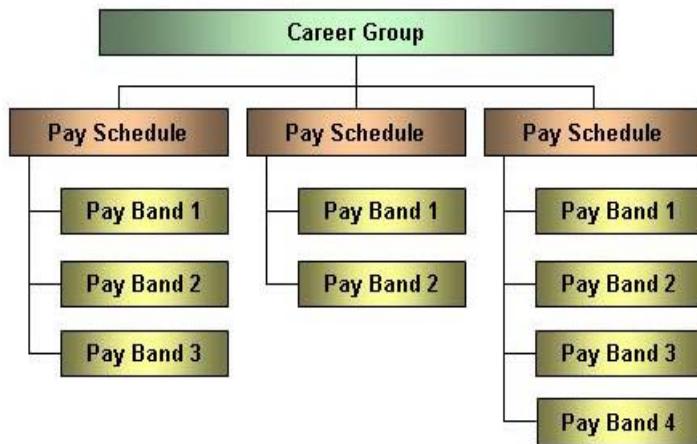
intent of this agreement is for the RDECOM to provide manpower to support a fluctuating manpower need, the reality is that many matrix personnel have supported the CMA mission for up to fifteen years.

### **3. Implementation of the National Security Personnel System (NSPS) at the U.S. Army Chemical Materials Agency**

As directed by the Director, NSPS was implemented at CMA in November 2006. The transition of an employee under the GS system into the NSPS was to be conducted automatically. As portrayed in Figure 2-2, every GS position within the CMA was assigned a career group, pay schedule and pay band. Four career groups were established as a broad grouping of occupations that perform similar types of work and have similar career progression. These career groups included: (1) Standard Career Group, (2) Scientific and Engineering Career Group, (3) Investigative, and Protective Services Career Group, (4) Medical Career Group. Within each career group, pay schedules are established to combine similar types of work within a career group. Pay schedules were established to define and categorize employee positions on the basis of the following similarities: (1) the nature of the work performed, (2) career patterns, (3) mission, and (4) job competencies. Pay schedules established within CMA were: (1) Professional / Analytical, (2) Technician / Support, and (3) Supervisor / Manager.

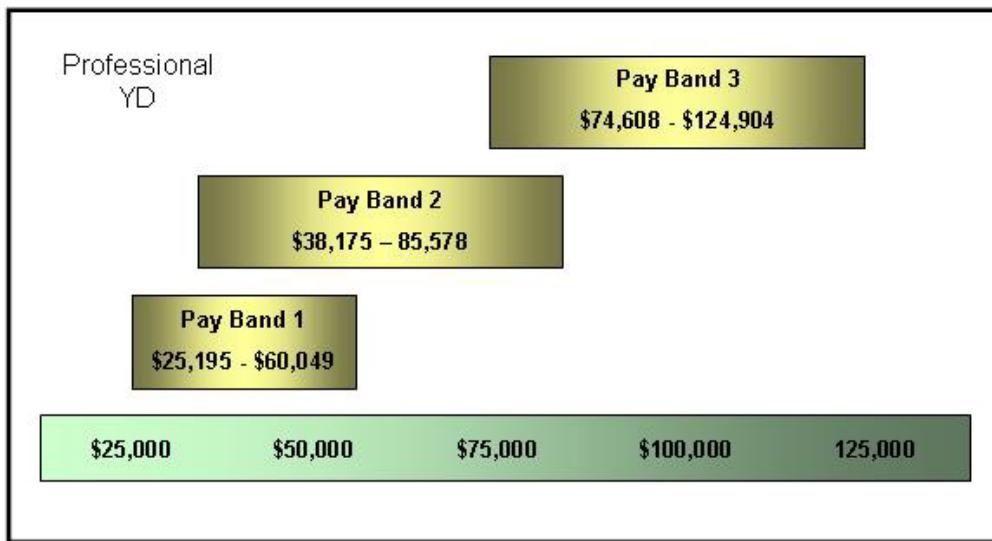
Depending on the career group of the individual employee, the employee was placed in a pay band based on their original GS grade. Portrayed in Figure 2-3, are the pay bands that the majority of the technical, Non-Management employees of CMA fell into. More specifically, GS12 and GS13 engineers were placed into pay band #2, while non-supervisory GS14 and GS15 engineers were placed into pay band #3.

**Figure 2-2. NSPS Career Group Structure (NSPS HNBK, 2006, September 8)**



One of the original purposes of the NSPS was to afford the manager the flexibility to set pay, shape the workforce and retain strong performers by easily moving employees into positions of need and adjust their compensation accordingly, as long as it remained within the respective pay band (NSPS, December 2005). This flexibility was significantly limited in August of 2007, when the Acting Director of CMA disseminated a memorandum establishing “control points” to limit salaries within a given pay band (Ormond, 2007 August 20). This memorandum is provided in Appendix A of this research. As specified by this memorandum, these NSPS control points, or “glass ceilings,” were directly linked to the maximum salary payable to an employee under the GS system (i.e., Step 10 of each grade). More specifically, the pay band #2 (portrayed in Figure 2-3) contained two control points. Since pay band encompassed the grades GS12 and 13, control points were placed at a GS12, Step 10 salary, and the band ceiling was placed at a GS13 Step 10. The use of two control points meant that managers were not permitted the flexibility of rewarding a strong performer (as intended by the NSPS) above the specified control points. The CMA manager was limited to utilizing and compensating their employees within the same restrictions imposed by the GS grades.

**Figure 2-3. NSPS Pay Banding (NSPS HNBK, 2006, September 8)**



The NSPS performance compensation system is based on a five-level rating system which is portrayed in Table 2-1. To reward employees for their performance, employees are allocated a number of “shares” dependent upon their performance rating as detailed in Table 2-1. The NSPS performance compensation is described as being a “zero-sum gain.” The amount of funding provided in the pay pool fund is set. Therefore, the compensation provided to an employee is directly dependent upon the total number of shares given out. For example, if all employees were allotted a level 3 rating level (with 1 share), the compensation provided to them would be identical to that provided to them if all employees were provided a level 5 rating (with 4 shares). Under the NSPS, performance shares may be paid out in the form of a pay increase, bonus, or a combination of both as determined by the employee’s supervisor (i.e., appraiser). With the flexibilities permitted with the NSPS, CMA determined that the employee’s supervisor would not assign the employee’s pay increase nor bonus mix, but this combination would be assigned by the Pay Pool (*Dawson, 2007 October 05*). Pay Pools typically review the performance of 50 to 300 employees.

## C. RESEARCH METHODOLOGY

### 1. Overview

The data collected for this research was gathered from survey questionnaires completed by CMA employees. Requests to participate in this research were distributed to thirty eight employees (approximately 10%) of CMA. These requests contained survey questionnaires considered pertinent to this analysis and contained within five categories: Administrative, Motivational, NSPS Implementation Effectiveness, Management, and Demographics. Since not all questions would relate to each employee, three independent configurations of questions were developed to align the appropriate question(s) with the target group. The three configurations developed for this research were: CMA Management, Non-Supervisory CMA personnel, and Matrix personnel to CMA. Twenty-eight CMA employees responded to this request to participate, and their responses are the basis of this research.

**Table 2-1. NSPS Levels of Performance (NSPS HNBK, 2006, September 8)**

Rating Level	Level of Performance	Share Allotment	Performance Description
Level 5	Role Model	4	Almost always meets the standards described by the Role Model benchmarks.
Level 4	Exceeds Expectations	3	Almost always meets the standards described by the Valued Performance benchmarks and typically, but less than almost always meets the standards described by the Role Model benchmarks.
Level 3	Valued Performer	1 or 2	Almost always meets the standards described by the Valued Performance Model benchmarks.
Level 2	Fair	0	Almost always meets the standards described by the Valued Performance benchmarks, but only as a result of guidance and assistance considerably above that expected at the Valued Performance level.
Level 1	Unsuccessful	0	Performance below the Level 2 rating descriptor or fails the Standard Performance Factor in the performance of a single assignment where such failure has a significant negative impact on accomplishment of mission or where a single failure could result in death, injury, breach of security, or great monetary loss.

## **2. Research Participant Grades**

The responses to the questionnaires spanned a wide range of work responsibilities, educational backgrounds and pay ranges. The data, as presented in this research has been segregated into groups pertaining to the individual's position within the agency. The range of GS grades of the participants that completed questionnaires were from a GS6 through a GS15. The specific GS levels that participated in this research were: GS6, GS7, GS8, GS13, GS14, and GS15. For the purpose of this evaluation, the research participants were grouped accordingly.

**Administrative.** The Administrative participants were grouped together since they represented the administrative staff within CMA and were expected to share common thoughts of their jobs and the agency. Participants within this group commonly have a high school education and little or no higher education. Responsibilities of research participants within this group were primarily limited to administration and were in the GS grades of 6, 7, and 8.

**Project Managers.** The Project Manager participants were generally college graduates with a Bachelor of Science in a technical field such as Engineering or Science. These participants may have expanded their education toward receiving a Master Degree or have actually obtained a Master Degree. The Project Manager is largely responsible for the day-to-day actions of managing and coordinating projects in support of the CMA mission. The research participants of this group consisted of core CMA employees and matrix employees at the GS13 grade level. CMA core personnel consist of GS 13 personnel that are CMA employees, while matrix personnel are GS 13 level employees that are not CMA employees, but are employees of the RDECOM, and are provided to the PM offices through a written Memorandum of Agreement between the CMA and RDECOM.

**Team Leaders.** Participants within this group are team leaders (GS14), which provide technical guidance to multiple system managers or project managers at a grade level of GS13.

**Managers / Supervisors.** Managers at CMA are generally at a grade level of GS15, and supervise technical personnel within their team. A manager (GS15) will often have multiple team leaders reporting directly to him/her, but these team leaders will not have supervisory responsibility over other CMA employees.

Because of the specific and separate responsibilities of the personnel within a team, the data collected during this research was initially separated into the respective grades to establish the collective opinions of CMA personnel at that level of responsibility.

The grade distribution of research participants participating in this research is portrayed in Table 2-2.

**Table 2-2. Research Participants' GS Grades**

	<b>Participant Grades</b>	<b>Number of Participants</b>	<b>Percent of Participants</b>
<b>Administrative</b>	GS6	2	7.1%
	GS7	1	3.6%
	GS8	1	3.6%
<b>Project Managers:</b> <b>CMA Core</b>			
	GS13	5	17.9%
	GS13	6	21.4%
<b>Team Leaders</b>	GS14	7	25.0%
<b>Managers / Supervisors</b>	GS15	6	21.4%
<b>TOTALS</b>		<b>28</b>	<b>100.0%</b>

### **3. Distribution of Questionnaires**

Since all of the questions in the research did not apply to each of the participants, three individual questionnaires were developed. The Management questionnaire (Appendix B) was the most comprehensive and included 30 questions for each research participant. Since the implementation of the NSPS had a limited effect on the GS13 – matrix participants, the Matrix questionnaire (Appendix C) was the least comprehensive of all the questionnaires. The Matrix questionnaire contained only 15 of the questions that the Management questionnaire contained, and the Non-Management questionnaire

(Appendix D) contained only 23 of the original questions. The distribution of the questionnaires is further detailed in Table 2-3.

The questionnaires were developed in EXCEL spreadsheet format, and were emailed to prospective research participants. To ensure anonymity, a three-digit number was assigned to each research participant response. All references to the data revealed in the responses were linked back to this three-digit number.

**Table 2-3. Distribution of Questionnaires**

Study Reference	GS Grade	GS Grade	Questionnaire Received by Participant	Number of Questions in Questionnaire
CMA Management	Managers / Supervisors	GS15	Management Questionnaire (Appendix B)	30
Non-Management	Team Leader	GS14	Non-Management Questionnaire (Appendix D)	23
	<b>RDECOM Matrix - Project Manager</b>	GS13	Matrix Questionnaire (Appendix C)	15
	<b>Core CMA - Project Manager</b>	GS 13	Non-Management Questionnaire (Appendix D)	23
	Administrative	GS6, 7, 8		

#### **4. Evaluation of the Data**

Questionnaire responses were received from a wide range of offices within the CMA. The CMA Organization chart is portrayed in Figure 2.1. The following offices were represented by responses to the questionnaires:

- Office of the CMA Deputy Director
- Office of Human Recourses
- Office of Resource Management

- Office of Risk Management
- Office of the Project Manager for Non-Stockpile Chemical Materiel
- Office of Human Resources
- Office of Public Affairs
- Office of Mission Support
- Office of Program Planning and Evaluation

As the questionnaire responses were received, the data was transferred into a WORD file. Many of the research participants provided a discussion to many of the questions. Once the data and comments had been documented, the comprehensive data was reformatted into spreadsheets to portray the data collected by grouping the collective GS grade responses. This information is provided in Section III of this research, and titled “Data Analysis.” Within this section each question and response was evaluated until all of the questions had been evaluated. Early in the evaluation of the data collected, it became apparent that, with regard to the NSPS implemented at CMA, the research participants in the Administrative (GS6, 7, and 8), Project Manager (GS13), and Team Leader (GS14) groups often expressed common views that were contrary to the responses expressed by the CMA Managers / Supervisors (GS15). For this reason, the evaluation of data throughout this research was generally evaluated as “CMA Management” or “Non-Management” responses.

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### **III. DATA ANALYSIS**

The data, as presented in this chapter has been segregated into groups pertaining to the research participant's position within the U.S. Army Chemical Materials Agency (CMA) agency. Because of the specific and separate responsibilities of the personnel within the CMA teams, the data collected during this research was separated into the respective grades to ascertain the collective opinions of CMA personnel at that level of responsibility. As the responses to these questions were reviewed and documented, it became apparent that the responses were falling into two distinct groups. As a result of this distinction, the responses were often assembled into "CMA Management" responses consisting of responses received from GS 15 managers, and "Non-Management" responses which consisted of responses from GS 6, 7, 8, 13, and 14 participants. As the questionnaires for this research were developed, a section was provided, with each question, to allow participants to provide specific personal responses to each question. Although it was not required, numerous participants felt strongly enough about the question to provide an additional discussion on the feelings they had regarding the question and their response.

The percentages presented in this chapter were truncated. If a percentage was calculated to be 66.666 percent, it was documented as "66.6 percent." Data median and mode values were calculated primarily to support relative ranking of data, and to reveal inconsistencies that could distort the results obtained.

#### **A. DEMOGRAPHIC QUESTIONS**

Survey questions 1 through 4 were included in the survey questionnaire to obtain basic information on the research participants completing the survey. Appendix E provides consolidated spreadsheets of the Demographic data received from the research participants.

## B. ADMINISTRATIVE QUESTIONS

Survey questions 5 through 9 were included in the questionnaire to obtain basic administration and career information on the CMA employee participating in the survey.

### 1. Grade Prior to Implementing the National Security Personnel System (NSPS) (Survey Question 5)

a. The question posed to the research participants was: *Prior to CMA implementing the NSPS, what was your "GS" grade?* There were no responses offered for this question.

The detailed results of this question are displayed in Table 3-1.

**Table 3-1. Grade Prior to NSPS**

Question. Prior to CMA implementing the NSPS, what was your "GS" grade?	Responses	Percent of Total	Managerial Position
GS6	2	14.3%	Non-Management (78.6%)
GS7	1		
GS8	1		
GS13	11		
GS14	7		
GS15	6	21.4%	CMA Management (21.4%)

b. Analysis. This question was included in the survey to determine the research participants' GS grade. This information was eventually used to collate and evaluate the information received. The information included in this research was received from employees in grades, GS6, GS7, GS8, GS13, GS14, and GS15. Research participants' responses indicate that 21.4 percent of the research groups were supervisors of CMA employees. The remaining 78.6 percent of the research participants indicated that they were in "Non-Management" positions.

The percent distribution of the grades of the research participants appears to be representative of the grade distribution as a whole for the CMA. The percent distribution of the research participants for each grade level was found to be 14.3%, 39.3%, 25.0%

and 21.4% for the GS6/7/8, GS13, GS14 and GS15 participants, respectively. During the consolidation of the data it became clear that there was often a distinct division between how the managers of CMA (i.e., GS15) responded to survey questions as compared to the responses provided by the remaining grade levels (i.e., GS6, 7, 8, 13, and 14). As a result of this observation, the data collected was displayed by grade, and the evaluation was often divided as Management and Non-Management responses.

## **2. Supervisory Responsibilities (Survey Question 6)**

a. The question posed to the research participants was, “Do you supervise CMA employees and write their appraisals?” The responses offered were Yes or No.

The detailed results of this question are displayed in Table 3-2.

**Table 3-2. Supervisory Responsibilities**

<b>Question.</b> Do you supervise CMA employees and write their appraisals?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Yes	0	0	0	6
No	4	11	7	0

b. Analysis. This question was included in the research questionnaire to validate that the appropriate questionnaire was provided to the proper research participants and to verify that those participants that received Management questionnaires did supervise CMA employees. Approximately 21 percent of research participants reported that they did have supervisory responsibilities over CMA employees and prepared their appraisals. Research participant responses validated that the questionnaires were distributed properly and the participants that were identified as managers did supervise employees. The research participants that did supervise employees were at the grade level of GS15. All other research participants (GS GS6, 7, 8, 13, and 14) responded that they did not have supervisory responsibilities.

**3. Years Supporting the Chemical Material Agency's (CMA) Mission (Survey Question 7)**

a. The question posed to the research participants was: *How Many years have you supported the CMA (or Chemical Demilitarization) mission?* There were no responses offered for this question.

The detailed responses regarding the participants CMA length of service is portrayed in Table 3-3.

**Table 3-3. Length of Service at CMA**

<b>Question.</b> How many years have you supported the CMA mission?	<b>Responses by Grade</b>				<b>Total Responses</b>
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>	
<b>0 - 5 years</b>	0	2	0	0	2
<b>6 - 10 years</b>	1	4	1	3	9
<b>11 - 15 years</b>	1	2	5	1	9
<b>More than 15 years</b>	2	3	1	2	8
<b>Lower Limit (in years)</b>	7	3	14	7	3
<b>Upper Limit (in years)</b>	30	20	14	23	30
<b>Average (in years)</b>	17.7	10.9	13.7	12.8	13.0
<b>Median (in years)</b>	17	10	12	12	12
<b>Mode (in years)</b>	None	None	12	7	7

b. Analysis. The length of CMA service for the research participants ranged from 3 years to 30 years, with an average length of service, for all participants, being 13 years. The length of service median (for all participants) was calculated at 12 years. The average length of service for the administrative research participants was 17.7 years. It did not appear to be unusual that the research participants that were in an administrative staff position (i.e., GS 6/7/8) averaged a length of service significantly higher than the overall average. Administrative positions are commonly filled with personnel that have a limited education above high school. As such, an administrative assistant would usually “top-out” at a GS 8 or 9 positions. Since GS15 vacancies within CMA have historically been filled by promoting qualified personnel from a lower GS level (i.e., GS 13→14 or GS 14→15) from within the organization, it would appear normal that the average length

of service for the GS13 participants (10.9 years) was somewhat lower than the average length of service for the GS14 participants (13.7 years). The CMA Management participants' (i.e., GS 15) average years of service within CMA was calculated to be 12.8 years. Although this was approximately equal to the overall average, it was significantly under the average for participants holding a GS14 position. This peculiarity could possibly be explained by the fact that either a significant number of CMA managers were hired from outside the agency, or that a significant number of the managers were swiftly promoted through the lower grades.

#### **4. Years until Retirement (Survey Question 8)**

a. The question posed to the research participants was: *Within how many years do you expect to retire?* The responses offered were:

- [ 1 ] *0 to 5 years*
- [ 2 ] *6 to 10 years*
- [ 3 ] *11 to 15 years*
- [ 4 ] *More than 15 years*

The results of the data collected regarding retirement goals are portrayed in Table 3-4.

b. Analysis. Research participants were provided four ranges of years to express their retirement goals. Although the range of retirement goals (for all of the participants) spanned from “0 – 5 years” to “more than 15 years,” the mode was “6 – 10 years.”

The responses received from the research participants for this question seemed to replicate the responses in survey question 7 regarding the length of service with the CMA. Although the average response for all of the research participants was “6 – 10 years,” the average response for CMA Management (GS15) was found to be slightly higher, and tied between “6 – 10 years” and “11 – 15 years.” This would correspond with the data collected with survey question 7.

**Table 3-4. Years Until Retirement**

<b>Question.</b> Within how many years do you expect to retire?	<b>Responses by Grade</b>				<b>Total Responses</b>
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>	
<b>0 - 5 years</b>	3	3	1	1	8
<b>6 - 10 years</b>	0	5	3	2	10
<b>11 - 15 years</b>	0	2	2	2	6
<b>More than 15 years</b>	1	1	1	1	4
<b>Mode (in years)</b>	<b>0-5</b>	<b>6-10</b>	<b>6-10</b>	<b>6-10</b>	<b>0 to 15</b>
				<b>11-15</b>	

**5. Participants' Current Pay System (Survey Question 9)**

a. The question posed to the research participants was: *Are you currently in the National Security Personnel System (NSPS)?* The responses offered were: *Yes or No.*

The details collected during this research are portrayed in Table 3-5.

**Table 3-5. Participants' Current Pay System**

<b>Question.</b> Are you currently in the National Security Personnel System?	<b>Responses by Grade</b>			
	<b>GS 6/7/8</b>	<b>GS13</b>	<b>GS14</b>	<b>GS15</b>
<b>Yes</b>	4	7	6	6
<b>No</b>	0	4	1	0

b. Analysis. As portrayed in Table 3-5, all but five of the twenty-eight research participants were under the NSPS pay system at the time of completing the questionnaire. The responses received from the research participants for this question revealed that all administrative personnel (i.e., GS 6, 7, and 8) and all CMA Management (i.e., GS15) were currently under the NSPS system. Approximately 36 percent of the research participants at the grade level of GS13 responded that they were not under the NSPS system, but currently under the GS pay system. The research responses further revealed that one research participant at the GS14 grade was also currently under the GS pay system.

As discussed in paragraph II.B.2. of this research, participants at the GS13 grade level consist of personnel that were either core CMA employees, or matrix employees

from the Engineering Directorate of the Research Development and Engineering Command (RDECOM). The 36 percent of the GS13 research participants that indicated that they were not under the NSPS were matrix employees from RDECOM. The remaining 64 percent of GS13 participants, that indicated they were currently under the NSPS, were core CMA employees. The GS 14 participant that indicated that they were currently under the GS system had left their CMA position and accepted a comparable position at RDECOM, which remains under the GS system.

## C. MOTIVATION QUESTIONS

Survey questions 10 through 14 were included in the survey questionnaire to obtain basic information on the CMA employee's job motivation and satisfaction with the management of CMA on the implementation of the NSPS.

### 1. Treated as a "Valued Employee" (Survey Question 10)

a. The question posed to the research participants was: As CMA was implementing the NSPS, and since it had been implemented, do you feel that CMA treated you as a "Valued Employee"? The responses offered were "Yes, No, and Uncertain."

The detailed results of this question are displayed in Table 3-6.

**Table 3-6. Treated as a "Valued Employee"**

Question. As CMA was implementing the NSPS, and since it had been implemented, do you feel that CMA treated you as a "Valuable Employee"?	Responses by Grade				Total Percent
	GS 6/7/8	GS13	GS14	GS15	
Yes	1	3	1	6	22.7%
No	2	7	3	0	54.5%
Uncertain	1	1	3	0	22.7%

b. Analysis. Although CMA supervisors (GS15) unanimously responded that they had felt that CMA had treated them as valued employees, the most common response from Non-Management participants was that CMA did not treat them as valued employees. The totals obtained from research participants were that 22.7 percent of the

Non-Management participants indicated that they felt that CMA had treated them as a valued employee. In contrast to that response, 54.5 percent of the Non-Management participants indicated that CMA had not treated them as a valued employee. The responses to this question portrayed the diametrically opposing opinions of the CMA Management and Non-Management employees. One hundred percent of CMA Management responses indicated that they felt, that through the implementation of the NSPS at CMA, the employee was treated as a valued employee. In contrast, the majority of the survey responses received from the Non-Management employees (54.5 percent) revealed that they did not feel that they were treated as valued employees during the implementation of the NSPS.

A total of 22 Non-Management research participants answered this question. Thirteen of these participants provided a detailed response to clarify their answer. Some of the more significant discussion provided by concerned CMA employees are provided below:

- Comment provided by participant #008. *“I really felt that NSPS was shoved down my throat. The mandatory classes I attended and the general information that was distributed, never fully explained how NSPS would work. Many times I got an answer, which stated "that has not been determined yet." Also, the NSPS Demos, which was the major data presented at the town hall meetings and classes, ended-up being different than what was actual implemented at NSPS CMA.”*
- Comment provided by participant #013. *“During implementation, all supervisors were spending all their time trying to get the necessary forms and data entered for their employees. They were not available to actually supervise any mission required duties. NSPS became the only priority.”*
- Comment provided by participant #020. *“The manner in which NSPS was implemented was very haphazard and management did not seem to be considering employee acceptance. The whole process was done too quickly with not enough preparation.”*

- Comment provided by participant #027. *“During the implementation period, the new system was “ill defined” at best. Questions about details of the new system were answered, “we don’t know yet.” This lack of definition caused angst among those being converted.”*

The comments provided by Non-Management participants indicated: 1) a breakdown in communication, 2) a concern that the NSPS was implemented before it had been sufficiently developed (i.e., indicating a schedule drive process), and 3) a concern that implementation of CMA Management personnel placed the implementation of the NSPS as a priority, over that of accomplishing the CMA mission. In addition to introducing stress and havoc into the workplace, the true concern expressed here, was that it appeared that the number one priority of numerous supervisors was the implementation of the NSPS into the workplace.

## **2. Ranking of the Hierarchy of Needs (Survey Question 11)**

a. The question posed to the research participants was: Please rank the following in order of importance to you. (1 being the most important, and 5 being the least important) The responses offered were:

- [ 1 ] Salary
- [ 2 ] Job Title, Position
- [ 3 ] Friendship(s) in the Workplace
- [ 4 ] Job Security, Retirement Plan
- [ 5 ] A challenging job

The detailed results of this question are displayed in Table 3-7.

**Table 3-7. Hierarchy of Needs**

<b>Question.</b> Please rank the following in order of importance to you. (1 being most important, and 5 being the least important)	<b>Average Response by Grade</b>			
	GS 6/7/8	GS 13	GS 14	GS 15
<b>Salary</b>	1	2	3	2
<b>Job Title, Position</b>	4	5	4	4
<b>Friendship(s) in the Workplace</b>	5	4	5	5
<b>Job Security, Retirement Plan</b>	3	1	1	3
<b>Challenging Job</b>	2	3	2	1

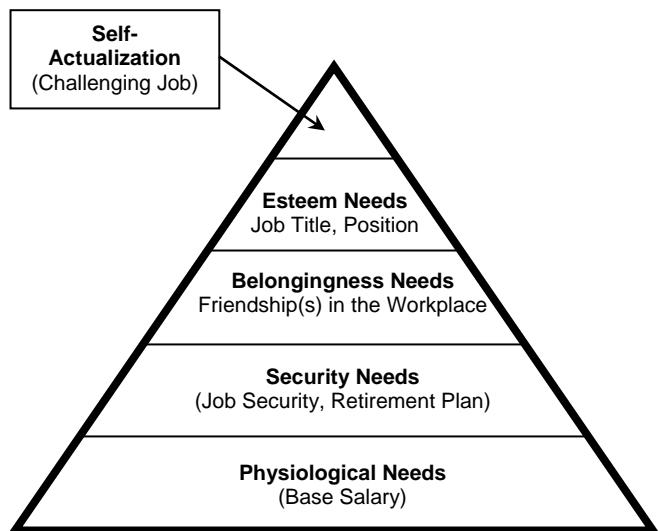
<b>Question.</b> Please rank the following in order of importance to you. (1 being most important, and 5 being the least important)	<b>Median Response by Grade</b>			
	GS 6/7/8	GS 13	GS 14	GS 15
<b>Salary</b>	1	2	2.5	2
<b>Job Title, Position</b>	4	5	4.5	4
<b>Friendship(s) in the Workplace</b>	5	4	4	5
<b>Job Security, Retirement Plan</b>	3	2	1.5	3
<b>Challenging Job</b>	2	3	2.5	1

<b>Question.</b> Please rank the following in order of importance to you. (1 being most important, and 5 being the least important)	<b>Mode Response by Grade</b>			
	GS 6/7/8	GS 13	GS 14	GS 15
<b>Salary</b>	1	1	2	2
<b>Job Title, Position</b>	4	5	5	4
<b>Friendship(s) in the Workplace</b>	5	4	4	5
<b>Job Security, Retirement Plan</b>	2	2	1	3
<b>Challenging Job</b>	3	3	3	1

b. Analysis. The theory of “Hierarchy of Needs” was established by a psychologist Abraham Maslow in the 1940s. Maslow’s theory contended that people are “wanting animals,” and that they have an inherent need to satisfy a specific set of basic needs. Maslow further stated that these needs are arranged in a hierarchy of importance with the most basic needs at the foundation. Given these basic needs, Maslow argued that each of these levels of needs must be satisfied before the person can strive to fulfill the next higher need. This Hierarchy of Needs is portrayed in Figure 3-1. Maslow

further asserted that if the individual experiences a dramatic event effecting one of these basic needs, that individual will return to a lower need that remains fulfilled. At that point the individual must again strive to fulfill the need directed above that current need.

**Figure 3-1. Maslow's Hierarchy of Needs (Griffin, Morehead, 2007)**



The statistical mean, median, mode and weighted average of the research participants' responses needs was calculated for the individual grades. The number one concern (by group average) of the Administrative research participants (GS6, 7, and 8) was salary. In accordance with Maslow's theory, this indicates that a significant event has occurred to necessitate that these participants return to their basic physiological need for fulfillment. In consideration that the implementation of the NSPS has a very real effect on this group's salary, it is reasonable to presume that the significant event affecting the group's basic needs was in fact the implementation of the NSPS.

The number one concern (by group average) of the Non-Management Research participants (GS13 and 14) was job security and retirement plan. Maslow's theory once again suggests that an event has occurred to require that the participants return to their basic security need for fulfillment. In a previous question, the research participants in the

GS 13 and 14 groups indicated that their average years to retirement were 6 to 15 years away. This information suggests that retirement may not be as important of an issue as job security, until retirement is at hand. Since the NSPS does not have an apparent impact on the participants' job security, the research responses indicates that this research group may be more concerned about the diminishing mission of CMA, which would have a significant effect on the participants' perception of job security.

Although CMA managers responded that "Salary" and "Job Security and Retirement Plan" was relatively important, these research participants replied that a "Challenging Job" was overwhelmingly the most important need listed. The number one concern (by group average) of the CMA Management research participants (GS15) was a challenging job (i.e., Self-Actualization Needs). Interpretation of Maslow's theory would indicate that the GS15 group may not have experienced a significant event that required them to return to the fulfillment of a more fundamental need. Other information gathered during this survey also indicates that the GS15 group, as a whole, is in support of the implementation of the NSPS. This would seem to support the assertion that the implementation of the NSPS is not having a negative effect on the GS15 group.

### **3. Rating of Motivational Factors (Survey Question 12)**

a. The question posed to the research participants was: Please rate the following items with regard to your satisfaction of CMA and your current job/position.

Items to be rated:

- Job Recognition
- Job Responsibility
- Potential for Advancement and Growth at CMA

The responses offered were:

- [ 1 ] *Satisfied*
- [ 2 ] *Unsure*
- [ 3 ] *Unsatisfied*

The information collected from the research participants is consolidated in Table 3-8.

b. Analysis. The Dual-Structure Theory of Motivation was established by Frederick Herzberg in the late 1950s and early 1960s. Herzberg's theory identified two sets of motivation: (1) Motivational Factors, and (2) Hygiene Factors. Herzberg found that when motivational factors were present in a job, they would cause satisfaction and motivation in the worker(s). When they were absent, they would result in no satisfaction for the worker(s). Herzberg further established a set of hygiene factors which he deemed the more basic of the two factor sets. This theory further explains that when hygiene factors are considered acceptable by the worker(s), attempting to further improve motivation through the hygiene factors would be ineffective. Herzberg's theory is depicted in Figure 3-2.

A comparison on how CMA managers (GS 15) responses compared to the responses of non-managers within CMA (GS 6, 7, 8, 13, and 14) portrays a significant gap in opinions. Ninety-four percent of CMA managers responded that they were satisfied with job recognition, job responsibility and potential for advancement and growth. In contrast, the most common response for Non-Management participants was being "unsatisfied" with the potential for advancement and growth. The Administrative research participants (GS 6, 7 & 8) provided an unsatisfied response in 75 percent of their responses. The motivational factor with the highest level of dissatisfaction was with the "Potential for Advancement and Growth," followed by "Job Recognition" and "Job Responsibility," respectively. The majority of the Non-Management research participants (GS13 and 14) indicated satisfaction in 47.1 percent (average of the GS 13 and 14 responses) of their responses for job recognition, job responsibility, and potential growth for advancement and growth. Even though almost half of the Non-Management responses indicated satisfaction, there was a significant quantity (i.e., 30.9 percent average) of dissatisfied responses received. The research participants' responses and Herzberg's theory indicates that with regard to the Non-Management staff at CMA (GS 6, 7, 8, 13 and 14) there are significant motivation issues that should be addressed by CMA Management. The overwhelming majority of CMA Management research

participants (GS15) responses (94.4 percent) indicated satisfaction with their job recognition, job responsibilities, and potential for advancement and growth.

**Table 3-8. Ranking of Motivation Factors**

<b>Question.</b> Please rate the following items with regard to your satisfaction of CMA and your current job/position. [ (1) Satisfied. (2) Unsure, (3) Unsatisfied ]	<u>Average Response by Grade</u>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>Job Recognition</b>	2.5	1.7	1.9	1
<b>Job Responsibility</b>	2.3	1.5	1.4	1
<b>Potential for Advancement &amp; Growth</b>	3	2.3	2.3	1.2

<b>Question.</b> Please rate the following items with regard to your satisfaction of CMA and your current job/position. [ (1) Satisfied. (2) Unsure, (3) Unsatisfied ]	<u>Median Response by Grade</u>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>Job Recognition</b>	3	1	2	1
<b>Job Responsibility</b>	2.5	1	1	1
<b>Potential for Advancement &amp; Growth</b>	3	3	2	1

<b>Question.</b> Please rate the following items with regard to your satisfaction of CMA and your current job/position. [ (1) Satisfied. (2) Unsure, (3) Unsatisfied ]	<u>Mode Response by Grade</u>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>Job Recognition</b>	3	1	1	1
<b>Job Responsibility</b>	3	1	1	1
<b>Potential for Advancement &amp; Growth</b>	3	3	3	1

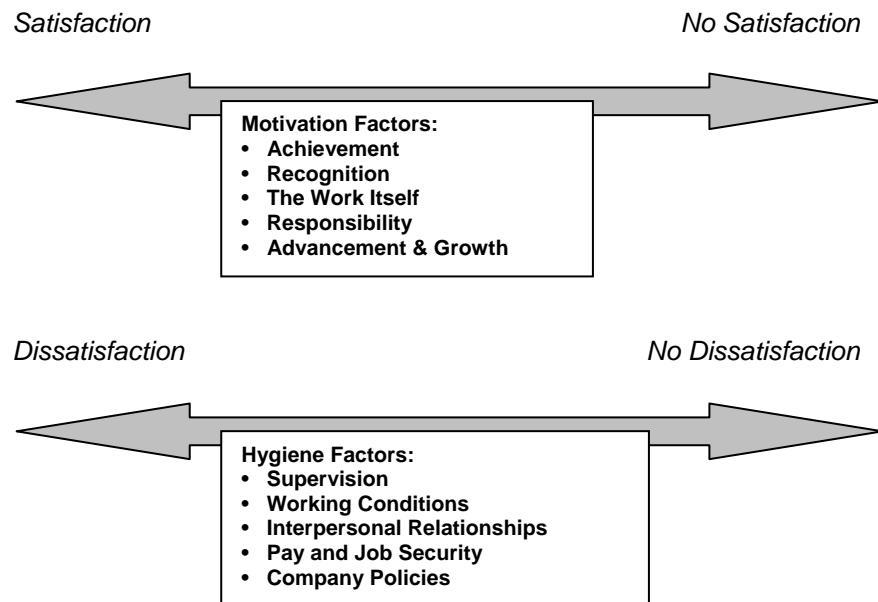
	<u>Frequency of Responses</u>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>[ 1 ] Satisfied Responses</b>	2	17	9	17
<b>[ 2 ] Unsure Responses</b>	1	5	6	1
<b>[ 3 ] Unsatisfied Responses</b>	9	11	6	0

	<u>Percent Response of Grade Total</u>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>[ 1 ] Satisfied Responses</b>	16.7%	51.5%	42.8%	94.4%
<b>[ 2 ] Unsure Responses</b>	8.3%	15.1%	28.5%	5.6%
<b>[ 3 ] Unsatisfied Responses</b>	75.0%	33.3%	28.5%	0.0%

**Figure 3-2. Herzberg's Dual-Structure Theory**

(Griffin, Moorhead, 2007)



#### **4. Rating of Hygiene Factors (Survey Question 13)**

a. The question posed to the research participants was *Please rate the following items with regard to your satisfaction of CMA and your current job/position.*

Items to be rated:

- CMA Supervision
- Pay and Job Security
- CMA Policies

The responses offered were:

- [ 1 ] *Dissatisfied*
- [ 2 ] *Unsure*
- [ 3 ] *No Dissatisfaction*

The information collected from the research participants is consolidated in Table 3-9.

**Table 3-9. Ranking of Hygiene Factors**

<b>Question.</b> Please rate the following items with regard to your satisfaction of CMA and your current job/position. [ (1) Dissatisfied. (2) Unsure, (3) No Dissatisfaction ]	<b><u>Average Response by Grade</u></b>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>CMA Supervision</b>	2.3	1.9	2.3	2.5
<b>Pay and Job Security</b>	2	2.4	2.1	2.8
<b>CMA Policies</b>	1.8	1.8	1.7	2.8

<b>Question.</b> Please rate the following items with regard to your satisfaction of CMA and your current job/position. [ (1) Dissatisfied. (2) Unsure, (3) No Dissatisfaction ]	<b><u>Median Response by Grade</u></b>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>CMA Supervision</b>	2.5	1.5	2	3
<b>Pay and Job Security</b>	2	2.5	2	3
<b>CMA Policies</b>	2	2	2	3

<b>Question.</b> Please rate the following items with regard to your satisfaction of CMA and your current job/position. [ (1) Dissatisfied. (2) Unsure, (3) No Dissatisfaction ]	<b><u>Mode Response by Grade</u></b>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>CMA Supervision</b>	3	1	3	3
<b>Pay and Job Security</b>	1	3	2	3
<b>CMA Policies</b>	2	1	1	3

	<b><u>Frequency of Responses</u></b>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>[ 1 ] Dissatisfied Response</b>	4	10	5	1
<b>[ 2 ] Unsure Response</b>	4	9	10	4
<b>[ 3 ] No Dissatisfaction response</b>	4	11	3	13

	<b><u>Percent Response of Grade Total</u></b>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>[ 1 ] Dissatisfied Response</b>	33.3%	33.3%	27.8%	5.6%
<b>[ 2 ] Unsure Response</b>	33.3%	30.0%	55.6%	22.2%
<b>[ 3 ] No Dissatisfaction response</b>	33.3%	36.7%	16.7%	72.2%

b. Analysis. The second half of Herzberg's Dual-Structure Theory of Motivation addresses hygiene factors such as: supervision, interpersonal relationships and job and pay security. This is also portrayed in Figure 3-2.

Seventy-two percent of CMA managers (GS 15) responded that they were overall satisfied with CMA supervision, Pay and Job Security, and CMA policies. Responses from Non-Management participants (GS 6, 7, 8, 13, and 14) ranged from “no dissatisfaction” to “dissatisfied”. The aggregate average of Non-Management responses indicated that the area of most dissatisfaction was CMA Policies. Upon applying Herzberg’s theory to the research responses, it appears that there are a considerable number of hygiene factors and motivational factors effecting the CMA workplace, in that potentially one third of the workforce (i.e., GS6, 7, 8, 13, and 14) are not satisfied with the CMA work environment. What is potentially troubling is if this dissatisfaction is the result of the implementation of the NSPS, this dissatisfaction has been present for potentially up to one year without resolutions being implemented by CMA Management.

**5. Effect that Implementation of the NSPS had on Employee Job Performance and Motivation (Survey Question 14)**

a. The question posed to the research participants was: *Do you feel that the NSPS, or the manner in which the NSPS was implemented, has affected your job performance or motivation?* The responses offered were:

- [ 1 ] *Significant Negative Effect*
- [ 2 ] *Moderate Negative Effect*
- [ 3 ] *No Effect at all*
- [ 4 ] *Moderate Positive Effect*
- [ 5 ] *Significant Positive Effect*

The information collected from the research participants is consolidated in Table 3-10.

b. Analysis. The range of responses that the Non-Management research participants (GS 6, 7 8, 13 and 14) provided was between “significant negative effect” and “no effect at all.” Overall, 46 percent of Non-Management (GS 6, 7 8, 13 and 14) participants indicated that the implementation of the NSPS at CMA had a negative effect

on their job performance or motivation. Numerous research participants provided additional clarification regarding the NSPS and its impact on their motivation and job performance.

- Comment provided by participant #023. *“Due to the last minute changes in policy and the lack of a well-planned implementation approach, it seems as though the system was not ready to be implemented yet. They should have worked out the details before trying to implement.”*

**Table 3-10. NSPS Motivation or Performance Effect**

<b>Question.</b> Do you feel that the NSPS, or the manner in which the NSPS was implemented, has effected your job performance or motivation? [1] Significant Negative Effect, [2] Moderate Negative Effect, [3] No Effect at all, [4] Moderate Positive Effect, [5] Significant Positive Effect	<b>Response by Grade</b>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
[ 1 ] Significant Negative Effect	-	1	-	-
[ 2 ] Moderate Negative Effect	2	5	5	2
[ 3 ] No Effect at all	2	5	2	1
[ 4 ] Moderate Positive Effect	-	-	-	2
[ 5 ] Significant Positive Effect	-	-	-	1

<b>Question.</b> Do you feel that the NSPS, or the manner in which the NSPS was implemented, has effected your job performance or motivation? [1] Significant Negative Effect, [2] Moderate Negative Effect, [3] No Effect at all, [4] Moderate Positive Effect, [5] Significant Positive Effect	<b>Response by Grade</b>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>Rating Lower Limit</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>2</b>
<b>Rating Upper Limit</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>5</b>
<b>Rating Average</b>	2.5	2.4	2.3	3.3
<b>Rating Median</b>	2.5	2	2	3.5
<b>Rating Mode</b>	2	2	2	4

- Comment provided by participant #024. *“I feel that all the time that has been wasted implementing NSPS will NEVER be regained or recouped. I feel that it is just a way to limit future retirement payments.”*

- Comment provided by participant #027. *“In the past, my coworkers and I understood the system. This is no longer the case. We have spent many hours in training to learn the system, only to find the rules are still changing. In addition, the new paperwork requires a lot more time than the old system.”*

The CMA Management research participants (GS 15) provided the largest range of responses of all the response groups regarding job performance and motivation. The CMA Management responses ranged from “moderately negative effect” to “significant positive effect.” Research responses indicated that 50 percent of the CMA Management responses felt that the implementation of the NSPS had a positive effect on their job performance and/or motivation. Once again, the diametrically opposing responses of CMA Management and Non-Management appeared with this question. Management participants were the only group to indicate that implementation of the NSPS had a positive effect on their motivation and/or job performance.

## **6. Overview of Results Obtained from Motivational Questions**

a. In responses to survey questions 11, 12 and 13, Non-Management research participants (GS6, 7, 8, 13, and 14) were provided the opportunity to express their feelings about job recognition, job responsibility, potential for advancement and growth, CMA policies and supervision, and pay and job security. By evaluating the responses provided and applying Maslow’s and Herzberg’s motivational theories, the survey responses indicate that a reasonably significant problem exists with employee motivation at the CMA, in which the implementation of the NSPS may have had a significant effect. In contrast to the Non-Management responses, the responses provided from CMA Management (GS15) strongly indicate an overwhelming approval of these very same job-related areas.

b. Survey questions 10 and 14 take a much more direct approach to determine employee satisfaction. Responses from these questions strongly indicate that more than 50 percent of CMA Non-Management research participants (GS 6, 7, 8, 13, and 14) are harboring feelings of being mistreated and neglected. Not a single Non-Management response indicated that the implementation of the NSPS had even a

minimally positive effect on their job performance or motivation. In opposition to the Non-Management responses, CMA Management (GS15) overwhelmingly responded to the survey indicating a unified opinion that they perceived a feeling of being valued. The participant responses provided by CMA Management to the question regarding job performance and motivation, resulted in a wide range of responses, from the implementation of the NSPS having a significant positive effect to a moderate negative effect on their performance and/or motivation.

c. As stated in Mr. Ormond's memorandum (*Ormond, August 20, 2007*), "One goal of pay for performance is to improve recruitment, retention, and motivation." It appears from the responses received from the research participants that CMA had failed to meet at least a portion of these objectives.

#### **D. NSPS IMPLEMENTATION EFFECTIVENESS QUESTIONS**

Survey questions 15 through 23 were included in the survey questionnaire to obtain basic information on the CMA employee's opinion of how effectively the NSPS was implemented by CMA, and the CMA employee's overall opinion of the NSPS.

##### **1. Preference to the General Schedule (GS) System or the National Security Personnel System (NSPS) (Survey Question 15)**

a. The question posed to the research participants was: If you had a choice, would you prefer to stay in the GS system or to switch to the NSPS? The responses offered were: "GS or NSPS."

The information collected from the research participants is consolidated in Table 3-11.

b. Analysis. The CMA Non-Management research participants (GS6, 7, 8 13, and 14) provided an overwhelming response (i.e., 88.8 percent) that it was their preference to remain in the GS pay system, as opposed to transferring into the newly implemented NSPS. This response could be perceived simply as the "fear of the unknown" in that the research participants were familiar with, and comfortable with the well-established GS system, and therefore resisted converting over to the new pay

system. This “fear of the unknown” could have been minimized utilizing the information dissemination sessions provided by CMA to inform and educate the CMA staff on the upcoming NSPS. The effectiveness of these sessions are to be evaluated later in this research, but comments provided to questions already analyzed seem to indicate that the NSPS had not matured sufficiently, and that major decisions remained unresolved at the time that the NSPS was being implemented at CMA. This could also explain the CMA employee’s resistance to converting to the newly implemented NSPS.

**Table 3-11. Preference to GS or NSPS**

<b>Question.</b> If you had a choice, would you prefer to stay in the GS system or to switch to the NSPS?	<b>Responses by Grade</b>			
	GS 6/7/8	GS13	GS14	GS15
NSPS	1	0	1	5
GS	3	7	6	1

<b>Question.</b> If you had a choice, would you prefer to stay in the GS system or to switch to the NSPS?	<b>Responses by Grade</b>			
	GS 6/7/8	GS13	GS14	GS15
NSPS	25.0%	0.0%	14.3%	83.3%
GS	75.0%	100.0%	85.7%	16.7%

Specific Non-Management participant responses have been provided below:

- Comment provided by participant #012. *“The GS rules are well known and understood. NSPS is time consuming, complicated and at CMA has artificial “lanes” which prevents the very purpose of NSPS and upward mobility.”*
- Comment provided by participant #017. *“NSPS is untested and incomplete. I resent being a “guinea pig” while they work the problems out of the system.”*
- Comment provided by participant #023. *“I chose NSPS based upon the potential of that system. It provides more flexibility in paying the workforce. It can however, be run in a detrimental way where the “Government” is just trying to eliminate long term salary increases, or it can be used beneficially to improve employee morale and productivity if used in the proper fashion.”*

- Comment provided by participant #027. *“While the GS system is far from perfect, it is well defined. It does not allow for money to be diverted from pay raises to bonus, therefore lowering retirement compensation. In addition, the ceiling salary was well defined. NSPS places a "track" ceiling for each position. This is as yet undefined and not referred to in either literature or meetings.”*

In response to their preference to the GS or the NSPS, 83.3 percent of the CMA, Management research participants (GS15) indicated that they preferred the NSPS system. Two notable comments were provided that may provide insight into the thoughts and concerns of the CMA Management participants:

- Comment provided by participant #015. *“The performance evaluation portion of the NSPS is good because the requirements for achieving different levels of performance are documented. The uncertainty of the NSPS is the Pay Pool Panel process and payout since this has not been completed at this time. Also, communication in CMA with regard to the Pay Pool processes should be increased so the processes are evident and transparent to ALL employees.”*
- Comment provided by participant #022. *“As the nuances of NSPS become understood, the real motivation for NSPS appears to be a means to curb salary growth vs. rewarding performance.”*

Although the pattern of CMA Non-Management responses being diametrically opposite from the CMA Management responses has been previously noted, the specific occurrence in this question could be answered in the evaluation of the question regarding the effectiveness of the NSPS informational sessions. During the implementation of the NSPS, CMA Management was often provided separate sessions that were not open to the Non-Management employees. One possibility to be considered here is that the CMA “Management only” sessions could have provided more meaningful information than was available or provided at the Non-Management sessions.

Many of the comments provided by the research participants (both CMA Management and Non-Management) seem to indicate resentment that the NSPS was implemented before the basic principles of the NSPS were well established. This is a characteristic of a program that is schedule driven instead of performance driven. The

issue that the NSPS was endorsed as a pay-for-performance tool has been addressed previously in this research. On more than one occasion, the discussion has portrayed the GS system as providing managers the ability to reward individual employees whose performance has warranted the recognition. In contrast, the appraisal process of the NSPS has been shown that the ability of managers to reward individual performance has been revoked under the NSPS. It is interesting that a comment provided by a CMA Management participant has also noted this change.

## **2. Effectiveness of Information Dissemination (Survey Question 16)**

a. The question posed to the research participants was: Prior to the implementation of the NSPS, CMA distributed information through multiple sources. Please rate each of these methods on their effectiveness to provide you correct and timely information regarding NSPS. These sources were:

- *Town Hall Meetings,*
- *E-mails,*
- *Memorandums,*
- *Face-to-Face Training,*
- *Internet Training sessions.*

The responses offered were:

- [ 1 ] *Very Effective*
- [ 2 ] *Moderately Effective*
- [ 3 ] *Undecided*
- [ 4 ] *Moderately Ineffective*
- [ 5 ] *Not Effective at all*

The information collected from the research participant responses is consolidated in Tables 3-12 & 3-12A.

b. Analysis. To effectively evaluate the data presented in the research participants' responses, a weighted average was calculated. Non-Management participants' responses (GS6, 7, 8, 13 and 14) ranged from "Very Effective" to "Not

Effective at all,” Utilizing a weighted average, the Non-Management participants rated the internet training as the most effective method used to provide timely information to the CMA employees. The participants’ responses further indicated that Town Hall meetings were the least effective method of providing correct and timely information regarding the NSPS. Even though the weighted average of the Non-Management participants indicated that the internet training was the most effective, the weighted average was calculated to be 2.67, where “2” represented “moderately effective” and a “3” represented “undecided.” To the other extreme, Town Hall meetings were calculated at 3.8, where “3” represented “undecided,” and “4” represented “Moderately Ineffective.” Weighted averages for the remaining informational methods were calculated as: Emails – 2.78, Face-to-Face training – 2.89, and Memorandums – 3.3.

**Table 3-12. Effectiveness of NSPS Information Dissemination**

<b>Question.</b> Prior to the implementation of the NSPS, CMA distributed information through multiple sources. Please rate each of these methods on their effectiveness to provide you correct and timely information regarding the NSPS. [ 1 ] Very Effective, [ 2 ] Moderately Effective, [ 3 ] Undecided, [ 4 ] Moderately Ineffective, and [ 5 ] Not Effective at all	<b>Number of Responses with Regard to Rating</b>				
	[ 1 ]	[ 2 ]	[ 3 ]	[ 4 ]	[ 5 ]
<b>CMA Management Responses:</b>					
<b>Town Hall Meeting</b>	1	5			
<b>E-mails</b>	3	3			
<b>Memorandums</b>	1	5			
<b>Face-to-Face Training</b>	3	3			
<b>Internet Training</b>		6			
<b>Non- Management Responses:</b>					
<b>Town Hall Meeting</b>		3	3	6	
<b>E-mails</b>		10	2	6	
<b>Memorandums</b>	7	1	7	3	2
<b>Face-to-Face Training</b>	2	5	4	5	2
<b>Internet Training</b>	1	10	3	2	2

<b>Question.</b> Prior to the implementation of the NSPS, CMA distributed information through multiple sources. Please rate each of these methods on their effectiveness to provide you correct and timely information regarding the NSPS. [ 1 ] Very Effective, [ 2 ] Moderately Effective, [ 3 ] Undecided, [ 4 ] Moderately Ineffective, and [ 5 ] Not Effective at all	<b><u>Weighted AVERAGE</u> Response by Grade</b>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>Town Hall Meeting</b>	4.3	3.4	4	1.8
<b>E-mails</b>	2.5	3	2.7	1.5
<b>Memorandums</b>	2.5	3.6	3.6	1.8
<b>Face-to-Face Training</b>	3	2.7	3.3	1.5
<b>Internet Training</b>	2.8	2.3	3	2

**Table 3-12A. Effectiveness of NSPS Information Dissemination (continued)**

<b>Question.</b> Prior to the implementation of the NSPS, CMA distributed information through multiple sources. Please rate each of these methods on their effectiveness to provide you correct and timely information regarding the NSPS. [ 1 ] Very Effective, [ 2 ] Moderately Effective, [ 3 ] Undecided, [ 4 ] Moderately Ineffective, and [ 5 ] Not Effective at all	<b><u>MEDIAN</u> Response by Grade</b>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>Town Hall Meeting</b>	4.5	4	4	2
<b>E-mails</b>	2	3	2	1.5
<b>Memorandums</b>	2	4	4	2
<b>Face-to-Face Training</b>	3	2	4	1.5
<b>Internet Training</b>	2.5	2	3	2

<b>Question.</b> Prior to the implementation of the NSPS, CMA distributed information through multiple sources. Please rate each of these methods on their effectiveness to provide you correct and timely information regarding the NSPS. [ 1 ] Very Effective, [ 2 ] Moderately Effective, [ 3 ] Undecided, [ 4 ] Moderately Ineffective, and [ 5 ] Not Effective at all	<b><u>MODE</u> Response by Grade</b>			
	<b>GS 6/7/8</b>	<b>GS 13</b>	<b>GS 14</b>	<b>GS 15</b>
<b>Town Hall Meeting</b>	5	4	5	2
<b>E-mails</b>	2	4	2	2
<b>Memorandums</b>	2	4	5	2
<b>Face-to-Face Training</b>	3	2	4	1
<b>Internet Training</b>	-	2	2	2

The data received from the Non-Management participants indicated that the dissemination of information on the NSPS was, at best, moderately effective. Many of the participant discussions provided significantly more detail on this subject.

- Comment provided by participant #004. *“NSPS was forced upon the workforce and with the problems that is occurring with the NSPS, it is evident that NSPS was not researched well prior to implementation.”*
- Comment provided by participant #017. *“Too much of the information that was distributed was incomplete, with too many unanswered questions.*

*Often, the training was a joke. In many cases, the training facilitator had no more information than we did, and the info was general, not tailored to CMA.”*

- Comment provided by participant #027. *“Training was focused on the advantages of the new system, but ignored the disadvantages. Many of the advantages listed turned out to be false. As an example, the training stated that a GS12 would be in pay band II and his ceiling salary would become that of a GS13. However, with the “track ceiling” this is not true. In fact, a “track ceiling may be lower than the previous GS ceiling.”*

The CMA Management participants’ responses ranged from “Very Effective” to “Moderately Effective.” A weighted average of the CMA Management responses indicated that Emails and Fact-to-Face Training was felt to be the most effective method to disseminate information while internet training was determined to be the least effective.

The CMA Management provided one notable comment:

- Comment provided by participant #018. *“Human resources and CPAC did a great job of getting out new and changing information.”*

Once again, the opposing responses of CMA Management and CMA Non-Management responses reappear. The CMA Management comment displayed above does seem to add credibility to the repeated comments from Non-Management participants that the NSPS was implemented before the basic principles of the NSPS were solidified. This could also begin to explain the opposing responses from CMA Management and Non-Management participants. CMA Management could have been viewing the effectiveness of the informational sessions as: “getting the information to the workforce as the decisions were made”, and in some cases, “as prior decisions were being changed.” From the Non-Management viewpoint, this turmoil could be viewed as providing misleading information or providing incomplete information.

### 3. Confidence of the National Security Personnel System (NSPS) will Compensate Job Performance (Survey Question 17)

a. The question posed to the research participants was: Are you confident that the NSPS system would appropriately compensate you for your performance? The responses offered were: “Yes, No and Uncertain.”

The information collected from the research participants is consolidated in Table 3-13.

**Table 3-13. Performance Compensation by NSPS**

<b>Question.</b> Are you confident that the NSPS system would appropriately compensate you for your performance?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Yes	0	0	0	5
No	3	7	6	0
Uncertain	1	0	1	0

b. Analysis. The overwhelming majority of Non-Management research participants (GS6, 7, 8, 13, and 14) (i.e., 88.8 percent) responded that they did not believe that the NSPS would appropriately compensate them for their job performance. Many of the Non-Management participants provided a response to this question indicating an overwhelming distrust in the newly implemented NSPS. These responses also expressed concern that the employee’s rating may not clearly reflect the performance of the employee as much as it would reflect a pre-determined ranking.

• Comment provided by study participant #003. *“There are too many restrictions on NSPS, so many 5’s, so many 4’s, basically we’re all going to be 3’s this year and that’s what we all have been told. Pay for performance is a bunch of crap.”*

One hundred percent of the CMA Management research participants (GS15) indicated that they had confidence that the NSPS would appropriately compensate them for their job performance.

• Comment provided by participant #022. *“CMA has not been through a full rating cycle so it is impossible to accurately respond to this question.”*

If the NSPS is a pay-for-performance compensation system, the need to meet predetermined ratings and share distributions should not be an issue because the emphasis is on employee performance. But, as portrayed in the CMA Pay Pool After-Action Report (*Dawson, June 15, 2007*), the CMA performance ratings were compared with the predetermined ratings and share distributions of Spiral 1.1, and found acceptable. This document seems to deter from the pay-for-performance concept, and does seem to indicate a predetermined performance distribution.

**4. Comparison of the National Security Personnel System (NSPS) to the General Schedule (GS) (Survey Question 18)**

a. The question posed to the research participants was: Do you feel that the NSPS would better compensate your performance than the General Schedule (GS) system? The responses offered were: “Yes, No and Uncertain.”

The information collected from the research participants is consolidated in Table 3-14.

b. Analysis. Eighty-three percent of research responses received from CMA Management, indicated confidence that the NSPS would better compensate them for job performance than the GS system. In contrast, 4.5 percent of Non-Management responses indicated a confidence that the NSPS would better compensate them for their job performance than the GS system.

**Table 3-14. NSPS / GS Comparison**

<b>Question.</b> Do you feel that the NSPS system would better compensate your performance than the General Schedule (GS) system?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Yes	1	0	0	5
No	2	5	5	0
Uncertain	1	2	2	1

This question and question number 17 are similar, but with a subtle difference. Question 17 asks the research participant if they are confident that the NSPS would compensate them for their job performance. Question 18 was developed to determine if the research participant was confident that the NSPS would better or more appropriately compensate them for their job performance (as compared to the GS system). Approximately 21.7 percent of the research participants changed their response from question 17 to question 18. Generally, the responses were changed, indicating that respondents were “uncertain.” For the purpose of this research, this question did not seem to receive notable responses that would have an effect on the evaluation presented in paragraph IV.D.3.

**5. The National Security Personnel System (NSPS) Effect on Retirement (Survey Question 19 & 19A)**

a. This question was presented in two parts. If the research participant answered the first question with a “yes,” the participant was asked to clarify their response by answering the second question. If, however, the research participant answered “no” to the first question, the participant was asked not to answer the second question. The question posed to the research participants was: *Do you think the NSPS will effect the amount you will receive for retirement?* The responses offered were: “Yes, No, and Uncertain.”

b. The second question posed was: *If you answered “Yes” to the above question, do you feel that the NSPS will have a positive or negative effect on your retirement?* The responses offered were: “Yes, No, and Uncertain.”

The information collected from the research participants is consolidated in Table 3-15.

**Table 3-15. Effect on Retirement**

<b>Question.</b> Do you think the NSPS will affect the amount you will receive for retirement?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Yes	3	5	4	6
No	0	0	0	0
Uncertain	1	2	3	0

<b>Question.</b> If you answered "Yes" to the above question, do you feel that the NSPS will have a positive or negative effect on your retirement?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Positive	0	0	0	5
Negative	2	5	4	1
Uncertain	1	0	0	0

c. Analysis. One hundred percent of the research responses received from CMA Management (GS15) indicated a strong opinion that the NSPS would have an effect on their retirement. Approximately 83.3 percent of the CMA Management responses that answered the second part of this question indicated confidence that the NSPS would have a positive effect on their retirement. The remaining 16.6 percent indicated that they felt that the NSPS would have a negative effect on their retirement. It is also interesting that one of the CMA Management's responses appears to present this as a fact of the NSPS, not just an opinion:

- Comment provided by participant #022. *“Curbing salary growth will reduce retirement pensions.”*

Aside from the fact that Management / Non-Management responses oppose each other, many of the comments received to the question(s) regarding retirement seem to present the issue that reduction in employee retirement may have been the reason for implementing the NSPS, not incentivizing performance.

An overwhelming response of 91.6 percent of the Non-Management research participants (GS6, 7, 8, 13, and 14) responded that the implementation of the NSPS

would have a negative effect on their retirement. Although some Non-Management responses indicated uncertainty whether the implementation of the NSPS would have an effect on the participants' retirement, the participants' responses later indicated little doubt that an effect on retirement would be negative. This concern is clearly expressed in many of the comments offered by research participants:

- Comment provided by participant #009. *"Whole idea of NSPS is to reduce the amount of increase to your base pay, under CSRS that effectively reduces your retirement income."*
- Comment provided by participant #017. *"The ability of the Pay Pool to offer bonus rather than salary increase, with no discernable rhyme or reason, is one of the many failures of this system."*
- Comment provided by participant #024. *"I feel that it will lower my retirement income. I truly believe that this is one of the main reasons that NSPS is being implemented."*
- Comment provided by participant #027. *"At one of the town hall meetings, it was stated that there was a formula for determining a balance between bonus and salary increase. This formula was "not defined" at the time. It has never been shown to the employees. This formula can be used to slow the employee's pay progression in his band, thus lowering his high 3 pension base. While the range for the bands is defined, the ranges for the "tracks" are not. If the tracks are lower than the old GS scale, pension will be lower."*

It is premature to determine whether the NSPS will ultimately have a negative or positive effect on employees' salaries. What the research participants' responses and comments clearly indicate is a lack of CMA to properly inform the CMA employees of how the NSPS was to work and its implications.

## **6. Comparison of Bonus(s) and Salary Increases (Survey Question 20 & 20A)**

- a. This question was also presented in two parts. If the research participant answered the first question with a "yes," the participant was asked to clarify their

response by answering the second question. If the research participant answered “no” to the first question, the participant was asked not to answer the second question. The first question posed to the research participants was: *Since transferring into the NSPS, have you compared your potential bonus(s) and potential salary increases with your fellow employees still under the GS schedule?* The responses offered were: “Yes and No.” The second question posed was: *If you answered “Yes” to the above question, did you determine that you were better off under the NSPS or the GS system?* The responses offered were: “NSPS and GS.”

The data collected from the research participants for both questions is consolidated in Table 3-16.

**Table 3-16. Comparison of Bonus(s) and Salary Increases**

<b>Question.</b> Since transferring into the NSPS, have you compared your potential bonus(s) and potential salary increases with your fellow employees still under the GS system?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Yes	0	1	3	2
No	4	6	4	4

<b>Question.</b> If the answer to the above question was "Yes", did you determine that you were better off under the NSPS or the GS system?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
NSPS	-	0	0	2
GS	-	1	3	0

b. Analysis. Twenty-five percent of all participant responses indicated that they had compared their potential bonus(s) and/or salary increases with fellow employees under the GS system. One hundred percent of the CMA Management responses to the second question indicated that they felt that there would be a financial advantage to being under the NSPS. In contrast, 100 percent of Non-Management participant responses indicated that they felt that there would be a financial advantage to remaining under the GS system. Two Non-Management participants provided the following comments to express their lack of confidence with the NSPS:

- Comment provided by participant #004. *“If you are at the top of the pay band in NSPS you are screwed. You will only obtain the bonus percentage and not a promotion which decreases one’s attitude to perform to the best of their ability.”*
- Comment provided by participant #027. *“Under the GS system, the progression of salary was defined for everyone. High achievers could be rewarded by bonuses or Quality Step Increases (QSI). Areas that had higher expectations of their workers, such as PM (Program Manager) shops were able to reward all their workers who deserved it, rather than place their achievements on a bell curve. The new system does not recognize that some pay pools achieve more on average than other pay pools and should receive higher compensation. Compensation under NSPS will be determined by how much is in the pay pool. In future years, it will be easy for the Government to lower costs by not funding the pay pool at appropriate levels. In addition, if rumors (no actual facts have been provided) about how the pay pool will be divided up are true, my bonus will be about the same as previous years, but my salary increase will be slightly lower. I expect it will get worse in the out years.”*

The NSPS has been promoted as a pay-for-performance tool, while the current pay system (i.e., the GS system) had pay-for-performance already built into it, by virtue of individual bonus(s) and Quality Step Increases (QSI). It appears that the point that the authors of these two comments are making is that, although the NSPS is being promoted as a pay-for-performance tool, the actual implementation of the NSPS has the ability to actually deter higher performance from employees. Under the GS system, workers were provided QSI, or individual bonuses, on the merit of their individual achievements throughout the previous year. As portrayed in the CMA Mock Pay Pool After-Action Report (*Dawson, June 15, 2007*), and Table 3-17 below, 69 percent of CMA employees had been rated as Level 3, a “Valued Employee.” The Mock Pay Pool also identified 27 percent of CMA employees received the next higher rating (Level 4), and 3 percent of CMA employees received the highest rating of Level 5.

**Table 3-17. CMA Mock Pay Pool Distribution**

Performance Rating Level	Percent CMA Employees
Level 1	0
Level 2	1 %
Level 3	69 %
Level 4	27%
Level 5	3 %

As portrayed previously (reference Table 2-1), each appraisal level is provided an increasing number of “shares.” As the appraisal level increases, that number of shares provided to that employee also increases. Each share is eventually converted into a monetary bonus dependent upon the funding that had been placed in the “pay pool fund.” By placing the large majority of CMA employees into Level 3 (i.e., 69 percent) the large majority of CMA employees will receive the identical bonus, and ultimately undermine any benefits of a pay-for-performance system.

**7. National Security Personnel System (NSPS) or General Schedule (GS) Advantage (Survey Question 21)**

a. The question posed to the research participants was: *Overall, do you feel that the NSPS will be more beneficial to the employee or the Government?* The responses offered were: “Employee and Government.”

The information collected from the research participants is consolidated in Table 3-18.

**Table 3-18. NSPS or GS Advantage**

<b>Question.</b> Overall, do you feel that the NSPS will be more beneficial to the employee, or to the Government?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Employee	0	0	0	3
Government	4	7	7	3

b. Analysis. Responses received from CMA Management participants indicated a 50/50 division regarding whether the NSPS would be more beneficial to the employee or the Government. An overwhelming 100 percent of the Non-Management participant responses indicated that in their opinion, the NSPS was more favorable to the Government than the employee.

Responses to this question were interesting from the perspective that from 24 research participants providing responses to this question, 18 written comments were volunteered. The comments received, for this question, from the research participants ranged from a strong opinion that the Government would clearly benefit from the NSPS, to both the Government and employees would benefit and one interesting comment that neither the Government nor the employee would benefit from the implementation of the NSPS.

Comments arguing that the Government will be the sole beneficiary from the implementation of the NSPS:

- Comment provided by participant #005. *“My opinion is that NSPS was implemented as a cost savings measure with a performance façade. I further believe that the designers/proponents of the system have not been forthcoming in this regard.”*
- Comment provided by participant #022. *“Curbing salaries will aid the Government.”*
- Comment provided by participant #027. *“Recently, it was announced that half the general pay raise would be placed in the pay pool. If the general raise is 2.5 percent, 1.25 percent will be placed in the pool. If half of this is bonus (as rumored), 0.625 percent of pay raise is shifted to bonus. This slows the employees’ pay progression and retirement benefits. It also lowers the Army’s matching TSP contribution. In addition, it was announced that while the ceiling of the pay band will be raised by the full 2.5 percent, the floor would only be raised by 1.25 percent. This allows for new hires and promotions to start at a lower salary. It also gives the false impression that one is higher in the band. If the ratio of raise to bonus is based on placement in the band, this will lead to more money placed in bonus than salary increase.”*

Comments provided by research participants that felt that both the Government and the employees would benefit from the implementation of the NPSPS:

- Comment provided by participant #015. *“My answer really is it would benefit both, the employee with potential increase in responsibility and commensurate salary based on a high level of performance and the Government because it will provide a flexible and manageable personnel system to recognize and reward performance as well as being able to resource and accomplish its mission.”*
- Comment provided by participant #021. *“The Government will benefit by higher performing employees and the higher performing employees will benefit with higher pay. Overall, I feel the performance of the Government organization will improve.”*

And one participant made the position that neither the Government nor the employees would benefit from the NSPS:

- Comment provided by participant #017. *“Really, my answer is neither. Employees will be short-changed financially, and will be frustrated by the bureaucracy and confusion inherent in NSPS. The Government will lose because experienced people will get fed up and leave. Plus, there's little incentive for new people to join our organization; leaving a GS job for the mystery of NSPS is crazy.”*

One CMA Management participant revealed that “cutting employee salaries will benefit the Government.” Two other comments provided by CMA Management research participants seemed to oppose this comment, by stating that higher performing employees will benefit with a higher pay. In August 2007, the Acting Director of CMA approved a memorandum establishing “control points” within pay bands that limited the maximum salary available to a CMA employee (*Ormond, August 20, 2007*). A copy of this memorandum is provided in Appendix A of this research. This memorandum simply established control points (i.e., ceilings) within the NSPS pay bands that simply corresponded to the Step 10 salary of the applicable GS grade. The specific reference in this memorandum is, “These control points will directly link the maximum salary payable to an employee under the NSPS in 2008 with their former GS grade, or the equivalent GS grade of the work of their position.” As such, the maximum salary available to an

employee under the NSPS is identical to the maximum salary available to an employee under the GS system. Therefore, the statement that a higher performing employee under the NSPS can obtain a higher salary than available to a GS employee is unattainable.

In contrast to the comments received from the CMA Management participants, research participant #027 suggests that recent guidance indicated that the maximum NSPS employee salary would be limited to less than their GS counterpart. In a recent memorandum, the Director of the U.S. Office of Personnel Management announced President Bush's plan for an overall pay adjustment of 3 percent for Federal employees under the GS system (*Springer, November 30, 2007*). This plan further specified that the 3 percent increase would be subdivided into a 2.5 percent across-the-board increase for GS employees, while the remaining 0.5 percent will be allocated as a locality-based adjustment. An email distributed by the CMA Chief of the Human Resources Office announced that for CMA employees under the NSPS, 1.25 percent of the Bush approved pay adjustment would not be provided to the employee, but would be added to the pay pool fund and distributed on the bases of the employee's level of performance (*Dawson, October 18, 2007*). As a result of these communications, a CMA "Valued Employee" (totaling 69 percent of the CMA employees) will be receiving a 1.25 percent less general pay increase than their GS counterparts. Even with bonuses from the pay pool fund, it is doubtful that the NSPS employees will be able to match the increase received by their GS counterparts. The long-term result of this is that the control ceilings established for NSPS employees will be 1.25 percent lower than the respective GS grade Step 10 ceiling going into 2008. From this scenario, it appears that a situation could occur where two employees could be accomplishing the same job responsibilities, but one being paid less than the second employee. In consideration of this scenario, it appears doubtful that the implementation of the NSPS will be beneficial to the CMA employees that find themselves under that system.

**8. National Security Personnel System (NSPS) Recommendation (Survey Question 22)**

a. The question posed to the research participants was: With your knowledge of the NSPS, if you had a son or daughter graduating from college, would you  
...

The responses offered were:

- *Recommend that they consider a career with the Federal Government (under the NSPS)*
- *Not interfere, and let them make up their own mind*
- *Recommend that they NOT consider a career with the Federal Government (under the NSPS)*

The information collected from the research participants is consolidated in Table 3-19.

b. Analysis. Sixty-six percent of the research responses received from CMA Management indicated that they would recommend working under the NSPS to relatives. Although the Non-Management participants did not indicate that they would recommend a career with the Federal Government, 80 percent of the responses received indicated that they would not interfere with the decision.

**Table 3-19. NSPS Recommendation**

<b>Question.</b> With your knowledge of the NSPS, if you had a son or daughter graduating from college, would you;	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Recommend that they consider a career with the Federal Government (under the NSPS).	0	0	0	4
Not interfere, and let them make up their own mind.	4	9	3	2
Recommend that they <b>NOT</b> consider a career with the Federal Government (under the NSPS).	0	2	2	0

One of the premises that the NSPS was established under was the need to retain qualified employees and recruit qualified new employees to support the Army mission. Since this research did not have the ability to query potential candidates, a question was developed to determine if research participants had relatives graduating from college, would they recommend a Federal career under the NSPS to these graduates. In consideration of the responses received from the research participants in prior questions, and the strong comments provided along with these responses, it is quite surprising that the great majority of the participants would not interfere with a son or daughter's decision to work under the NSPS system.

**9. Pursuit of a New Position (Survey Question 23)**

a. The question posed to the research participants was: *With the BRAC closures arriving in the foreseeable future, numerous jobs are expected to be available at APG. If the jobs advertised, were under the GS system, and not under the NSPS, would you consider applying for a position at your same salary (i.e., pay band)?* The responses offered were: "Yes, No and Uncertain."

The information collected from the research participants is consolidated in Table 3-20.

**Table 3-20. Pursuit of a BRAC Vacancy**

<b>Question.</b> With the BRAC closures arriving in the foreseeable future, numerous jobs are expected to be available at APG. If the jobs are advertised were under the GS system, and not under the NSPS, would you consider applying for a position at your same salary (i.e. pay band)?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Yes	1	7	5	3
No	1	0	1	0
Uncertain	2	0	1	3

b. Analysis. Fifty percent of the research responses received from CMA Management research participants indicated that they would apply for a position, at their same salary, if it was not under the NSPS. There were no responses received from CMA Management indicating that they would not apply for a vacancy at their current salary if it were not under the NSPS. In contrast, 72 percent of the Non-Management responses received indicated that they would apply for a vacancy, at their current salary, that was not under the NSPS.

Two Non-Management participants responded that they would not apply for a Base Closure and Realignment Commission (BRAC) vacancy at APG if it was not under the NSPS. A closer examination of these participants' responses revealed that in both situations, the participant was expecting to retire within zero-to-five years. One participant indicated, in their comments to this question, that they currently resided in Arkansas, and if they were to accept a position at APG, they would be required to move to Maryland, and indicated that it would not be cost effective to do so, since they were so close to retirement. It appears that unless extenuating circumstances existed, the great majority of the research participants would pursue a position outside of the CMA in an effort to leave the NSPS.

## **10. Overview of Results Obtained from Implementation Effectiveness Questions**

The opinions and comments expressed in the responses to the questions regarding the effectiveness of implementing the NSPS at CMA revealed an opposition between CMA Management and Non-Management participants. The responses received from CMA Management participants, portrayed a strong support of the NSPS and how it was implemented at CMA. The Management responses further endorsed the effectiveness of the informational sessions to disseminate new and changing information promptly to the workforce, and in almost every aspect of the NSPS, CMA Management responses expressed support of the NSPS to: a) appropriately compensate superior performance in the CMA workforce, and b) have a positive effect on CMA employees. In contrast, opinions and responses received from the Non-Management participants revealed a strong disapproval of the NSPS and the methods utilized to implement it at the CMA. Non-Management responses voiced a strong preference to the well established GS system, while expressing significant objections to the lack of information available during informational sessions for the NSPS. Upon looking at the effects of the NSPS on their potential salary increases, bonuses and impact on retirement, Non-Management participants expressed grave concerns that the NSPS would result in a significant detrimental impact on their future earnings and retirement. A significant number of responses also admitted that the implementation of the NSPS had a significantly negative effect on their motivation and job performance.

## **E. MANAGEMENT QUESTIONS**

Survey questions 24 through 30 were included in the survey questionnaire to obtain information from CMA managers regarding the advantages of the NSPS and the influence the implementation of the NSPS has had on their staff.

## 1. Appraisal Preference (Survey Question 24)

a. The question posed to the CMA Management research participants was: *Under the Total Army Performance Evaluation System (TAPES), appraisals were conducted at numerous times throughout the year, depending on the employee's grade. Under the NSPS, appraisals are conducted at only one point throughout the year. Which appraisal method do you prefer?* The responses offered were:

- *Prefer appraisals throughout the year (TAPES)*
- *Uncertain*
- *Prefer appraisals at one time during the year (NSPS)*

The information collected from the research participants is consolidated in Table 3-21.

**Table 3-21. Conducting Appraisals**

<b>Question.</b> Under the TAPES system, appraisals were conducted at numerous times throughout the year, depending on the employee's grade. Under the NSPS, appraisals are conducted at only one point throughout the year. Which appraisal method do you prefer?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Prefer appraisals throughout the year (TAPES)	-	-	-	2
Uncertain	-	-	-	1
Prefer appraisals once per year (NSPS)	-	-	-	3

b. Analysis. CMA Management participant responses indicated a preference (i.e., 50 percent) to conducting employee appraisals only once per year, as accomplished under the NSPS. Thirty-three percent of the research responses indicated a preference to conduct employee appraisals throughout the year as conducted under the TAPES system. Under the GS system, supervisors conducted appraisals at various times throughout the year depending upon the employee's grade. Under the NSPS, supervisors conduct appraisals for all of their employees in October. This question was developed to determine if the research participant, being a supervisor, had a preference on how the

appraisals were conducted. Although supervisors under the NSPS are required to complete the appraisals for all subordinates at one time during the year, it appears that this was preferred by the CMA managers. As expressed in comments provided by research participants, the consequence of this intense effort was that such emphasis was placed on completing appraisals within the specified time period that the completion of mission work often suffered.

## **2. National Security Personnel System Supervisory Responsibilities (Survey Question 25 & 25A)**

a. This question was presented in two parts. If the research participant answered the first question with a “yes,” the participant was asked to clarify their response by answering the second question. If the research participant answered “no” to the first question, the participant was asked not to answer the second question. The first question posed to the research participants was: Under the NSPS, have your supervisory responsibilities increased over the responsibilities you had under the GS system? The responses offered were: “Yes, No, and Uncertain.”

b. The second question posed was: *If you believe your supervisory responsibilities have increased, what percentage would you estimate that they have increased?* The responses offered were:

- [ 1 ] *Increased 0% to 25%*
- [ 2 ] *Increased 26% to 50%*
- [ 3 ] *Increased more than 50%*

The data collected from the research participants for both questions is consolidated in Table 3-22.

c. Analysis. Eighty-three percent of the CMA Management participant responses indicated that their supervisory responsibilities had increased after the implementation of the NSPS. Responses to the second part of this question indicated that the majority (i.e., 80 percent) of Management participant responses indicated that their responsibilities modestly increased between 0 and 25 percent. The remaining 20 percent of participants responded that their responsibilities increased more than 50 percent.

**Table 3-22. Increased Management Responsibilities**

<b>Question.</b> Under the NSPS, have your supervisory responsibilities increased over the responsibilities you had under the GS system?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Yes	-	-	-	5
Uncertain	-	-	-	0
No	-	-	-	1

<b>Question.</b> If you believe your supervisory responsibilities have increased, what percentage would you estimate that they have increased?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Increased 0% to 25%	-	-	-	4
Increased 26% to 50%	-	-	-	0
Increased more than 50%	-	-	-	1

Overall, it seems that the large majority of the research participants indicated that their supervisory responsibilities increased modestly after the implementation of the NSPS. It would appear that although the implementation of the NSPS at CMA resulted in this modest increase in the responsibilities, the overall impact of the NSPS was a positive experience for most of CMA Management.

### **3. Improvement in Staff's Performance (Survey Question 26)**

a. The question posed to the research participants was: During the past rating cycle (under the NSPS) have you observed an improvement in your staff's job performance? The responses offered were:

- [ 1 ] Significant increase in performance
- [ 2 ] Moderate increase in performance
- [ 3 ] No change in performance
- [ 4 ] Moderate decrease in performance
- [ 5 ] Significant decrease in performance

The information collected from the research participants is consolidated in Table 3-23.

**Table 3-23. Improvement in Staff's Performance**

Question. During the past rating cycle (under the NSPS) have you observed an improvement in your staff's job performance?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
[ 1 ] Significant <b>increase</b> in performance	-	-	-	0
[ 2 ] Moderate <b>increase</b> in performance	-	-	-	4
[ 3 ] No change in performance	-	-	-	2
[ 4 ] Moderate <b>decrease</b> in performance	-	-	-	0
[ 5 ] Significant <b>decrease</b> in performance	-	-	-	0

b. Analysis. Sixty-six percent of the CMA Management responses indicated that staff performance was observed to have moderately increased as compared to their performance prior to the implementation of the NSPS. The remaining 33 percent of research responses indicated that they had observed no change in their staff's performance. There was no research responses received indicating that a decrease in the staff's performance was observed.

The responses received from CMA Management participants clearly indicated that a majority of supervisors observed an improvement in their subordinates' job performance. In contrast to these responses, when Non-Management participants were asked if the NSPS, or the manner in which the NSPS was implemented, effected their job performance or motivation (i.e., question 14) 59 percent of the participant responses indicated that the NSPS had a moderate or significant negative effect on their job performance or motivation. Only a modest 10 percent of Non-Management research participants indicated that implementation of the NSPS had a positive effect on their job performance. If it is assumed that the responses obtained by this research were representative of CMA employees, the dilemma is that the responses to these questions oppose each other, when they should be comparable. The dichotomy presented here could possibly be explained by the CMA Management's responses reflected an optimism that the effects of the NSPS would be positive on employees performance. Conversely, the negative responses from Non-Management participants could possibly be a reflection of their seemingly non-support of the NSPS.

#### 4. Influence on Staff's Performance (Survey Question 27)

a. The question posed to the research participants was: *Under the NSPS, do you feel that you have more influence on improving your staff's performance?* The responses offered were: "Yes, No and Uncertain."

The information collected from the research participants is consolidated in Table 3-24.

**Table 3-24. Influence on Staff's Performance**

<b>Question.</b> Under the NSPS, do you feel that you have more influence on improving your staff's performance?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Yes	-	-	-	5
No	-	-	-	0
Uncertain	-	-	-	1

b. Analysis. Eighty-three percent of the CMA Management responses indicated that they had more influence on their staff's performance under the NSPS, as compared to GS system.

The fundamental objective of the NSPS was pay-for-performance. Question 27 was developed to determine if the supervisor felt that the NSPS provided them the tools to effectively influence their staff's performance. A few CMA Management participants provide additional clarifications to their responses:

- Comment provided by participant #018. "*I can show high performers the benefits of their hard work and that they are valued. It shows the other workers the system will work.*"
- Comment provided by participant #022. "*Too soon to tell but I doubt it. The overwhelming majority of the staff is working at a high level as demonstrated by successfully achieving goals and objectives, in spite of manpower losses that have not been filled.*"

Both comments presented refer to employees working at a “high level” of performance, but under the newly established NSPS, the employee’s supervisor only has the authority to recommend a “preliminary” performance rating, but may not recommend share distributions (*Ormond, June 29, 2007*). Guidance provided to CMA supervisors further clarifies that, “the Director of CMA has determined that the Pay Pool Panel will determine the share distribution for all employees based on the percentages of money that will be placed into elements 1, 2 and 3 of the pay pool (i.e., Pay Pool fund)” (*Dawson, October 5, 2007*). The entire CMA is divided into three Pay Pools Panels. These panels are identified as: (1) Science and Engineering, (2) Execution Support, (3) Senior Panel. The decision of the employee’s appraisal level (i.e., share distribution) lies not with the employee’s supervisor, but with the Pay Pool Panel. It appears from this chain of authority and responsibility that the CMA supervisor possesses less influence over each employee’s performance then under the GS system.

## **5. Impact on Effective Management of Employees (Survey Question 28)**

a. The question posed to the research participants was: *Overall, as a supervisor, how would you rate the NSPS and its impact on your ability to better manage your employees?* The responses offered were:

- [ 1 ] Significant improvement
- [ 2 ] Moderate improvement
- [ 3 ] No significant change
- [ 4 ] Moderately more difficult
- [ 5 ] Significantly more difficult

The information collected from the research participants is consolidated in Table 3-25.

**Table 3-25. Impact on Effective Management of Employees**

<b>Question.</b> Overall, as a supervisor, how would you rate the NSPS and its impact on your ability to better manage your employees?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
[ 1 ] Significant improvement	-	-	-	1
[ 2 ] Moderate improvement	-	-	-	4
[ 3 ] No significant change	-	-	-	1
[ 4 ] Moderately more difficult	-	-	-	0
[ 5 ] Significantly more difficult	-	-	-	0

b. Analysis. Eighty-three percent of the CMA Management responses indicated that the supervisor felt that the NSPS had improved their ability to manage their employees. In addition to pay-for-performance, another goal of the NSPS was to allow the manager to better manage their staff in accomplishment of their mission. This question was developed to determine if the NSPS was meeting this objective. As discussed in the previous question (i.e., question 5) it would appear that if the NSPS removed the supervisor's authority to determine employees' performance appraisal, it would also remove a portion of the supervisors' impact on effectively managing these same employees.

**6. Effect on Attracting and Retaining the Necessary Workforce (Survey Question 29)**

a. The question posed to the research participants was: Has the implementation of the NSPS made it easier for you to keep and attract the required workforce needed to accomplish your mission? The responses offered were:

- [ 1 ] Significant improvement
- [ 2 ] Moderate improvement
- [ 3 ] No change in performance
- [ 4 ] Moderately more difficult
- [ 5 ] Significantly more difficult

The information collected from the research participants is consolidated in Table 3-26.

**Table 3-26. Attracting and Retaining the Necessary Workforce**

<b>Question.</b> Overall, as a supervisor, how would you rate the NSPS and its impact on your ability to better manage your employees?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
[ 1 ] Significant improvement	-	-	-	2
[ 2 ] Moderate improvement	-	-	-	0
[ 3 ] No significant change	-	-	-	3
[ 4 ] Moderately more difficult	-	-	-	0
[ 5 ] Significantly more difficult	-	-	-	1

b. Analysis. Thirty-three percent of the CMA Management responses indicated that they felt that the NSPS had significantly improved their ability attract and retain the required workforce necessary to accomplish their mission. Another 16 percent of research responses indicated that NSPS had significantly reduced their ability to attract and retain the required workforce necessary to accomplish their mission.

As discussed in Mr. Ormond's memorandum (*Ormond, August 20, 2007*) one goal of the NSPS was to improve employee recruitment, retention and motivation. One CMA Management participant provided clarification on their personal experience regarding the effect that NSPS had on recruitment:

- Comment provided by participant #022. *“During a recent recruitment action, an outside Government employee withdrew their name from consideration because of NSPS. The candidate ultimately selected (a GS employee) declined the offer once they realized their salary could go up by only 5 percent vs. the 20 percent it would have increased under a normal GS promotion from a GS 11/1 to a GS 12/1. I have spoken to other GS employees at APG (excellent performers) that have no desire to convert to NSPS.”* (Note: The position referred to in this comment currently remains unfilled.)

The two remaining comments provided by the research participants indicated a “cautious optimism” that the NSPS will eventually be an asset for the CMA manager to retain and attract qualified employees. Considering that “attracting and retaining highly qualified employees” was an objective of the NSPS, participant responses to this question appear to indicate that CMA may have fallen somewhat short of meeting this objective.

**7. Employees Embracing of the National Security Personnel System (NSPS) (Survey Question 30)**

a. The question posed to the research participants was: As a supervisor, do you feel as though your employees have embraced the NSPS? The responses offered were: “Yes, No and Uncertain.”

The information collected from the research participants is consolidated in Table 3-27.

**Table 3-27. Employee Embracing of the NSPS**

<b>Question.</b> As a supervisor, do you feel as though your employees have embraced the NSPS?	Responses by Grade			
	GS 6/7/8	GS13	GS14	GS15
Yes	-	-	-	3
No	-	-	-	1
Uncertain	-	-	-	2

b. Analysis. Fifty percent of the CMA Management responses indicated that the manager felt that their staff had embraced the NSPS. Most of the comments received from CMA Management participants indicated optimism that once the system has been established, the employees would more fully embrace the NSPS. A review of numerous questions and research participant responses (such as survey questions 14, 15, 17, 18, and 23) indicated that the overwhelming majority of Non-Management employees did not support, nor trust, the newly implemented NSPS at CMA.

## **8. Overview of Results Obtained from Management Questions**

Overall, the responses that were provided by the CMA Management participants were accepting and supportive of the newly established NSPS. The majority of the participant responses indicated that the implementation of the NSPS at CMA improved their ability to influence and manage their staff's job performance. Although the CMA managers acknowledged that in some facets of their jobs, the NSPS did increase their responsibilities and workload, the CMA managers were cautiously optimistic that the NSPS would be the vehicle to help them to maintain qualified personnel and attract new personnel with the capabilities needed to fulfill the mission and objectives.

## IV. CONCLUSIONS AND RECOMMENDATIONS

### A. OVERVIEW

The NSPS was established to improve the aging General Schedule system that had been in place within the Federal Government for decades. Some of the more measurable goals of the NSPS were to:

- Establish a “pay-for-performance” system to improve the compensation system currently employed by the Federal Government.
- Maintain qualified and high-performing employees while attracting perspective employees with the capabilities that the Government needed for future growth.
- Establish an atmosphere where a supervisor would have the ability to better manage subordinates.

As expressed in a case research conducted by the U.S. Office of Personnel Management (*OPM, April 2002*), the success of a pay-for-performance system depends on the establishment of a quality performance management system. To obtain this goal, it was recommended that the Government:

- Establish the essential principles of equity, procedural justice, and openness.
- Convey to employees an unambiguous message that performance matters.
- Establish an effective pay-for-performance strategy that is embraced by the employees, and emphasized by Management. Ineffective pay-for-performance systems can produce a lack of credibility in both the employees and management.

In 2006, the U.S. Army Chemical Materials Agency (CMA) at Aberdeen Proving Ground, Maryland began implementation of their version of the NSPS. Now that the NSPS has been in place for approximately one year, responses to this research have shown that the majority of CMA employees indicated that this system has made a

negative impact on the agency. Although the CMA employees do not have an issue with the “pay-for-performance” concept, they did indicated disapproval with the way in which the NSPS was implemented at CMA. Dissemination of erroneous information, a lack of openness, and a poorly planned implementation strategy has resulted in a general lack of trust in the NSPS and CMA Management by Non-Management employees.

**B. NSPS – VIEWED THROUGH THE EYES OF THE NON-MANAGEMENT EMPLOYEE OF THE CMA**

Change is difficult for most people. Add to this, the stress resulting from the uncertainty perceived from a “head of household” attempting to make a living to support his/her family, one can easily understand the potential obstacles facing the implementation of a payroll system as complex as the NSPS. One of the basic recommendations of the U.S. Office of Personnel Management (*OPM, April 2002*) was to “Establish the essential principles of equity, procedural justice, and openness.” This may be where the CMA had started off poorly. Responses received from research participants, indicated that the implementation of the NSPS at the CMA was initiated before fundamental decisions effecting the system, had been put into place. Showing signs of being “scheduled-driven,” the implementation of the NSPS at CMA has been described by research participants as “lacking a well planned implementation approach,” and a “breakdown in communications.” A large percentage of the Non-Management participants seemed to agree with these over-arching issues. To ensure a successful implementation of the NSPS at CMA, the fundamental issues that CMA needed to accomplish was to earn the respect of the CMA employees, and assure these same employees, that the CMA was implementing a new payroll system, but more specifically, looking out for the employee’s welfare. Unfortunately, when training coordinators could not answer basic questions about the NSPS, when CMA Management conducted Town Hall meetings and provided the employees with insight into the NSPS, only to find a short time later that this information was either erroneous, or had been changed, the CMA employee began to lose trust in the NSPS, CMA Management, and perceive an unwanted system that was being “thrust” upon them.

The NSPS has been described as a “pay-for-performance” system. In 1954, the Incentive Award Act was signed into law providing Federal Government managers the authority to reward superior performance in their employees. Numerous other Reforms and Acts have also been approved to provide the ability for managers to recognize and reward superior performance in their employees. In a pay-for-performance system, employees are appraised and rewarded individually. In fact, that is how superior performance was rewarded under the GS system. Deserving Federal employees were rewarded with individual bonuses based on their performance over the past year. At times, Quality Step Increases (QSIs) were awarded to deserving employees in lieu of a bonus. Despite the fact that the NSPS was “sold” as a pay-for-performance program, the CMA Mock Pay Pool After-Action Report (*Dawson, June 15, 2007*) appears to reward performance not on an individual basis, but on a group basis. The CMA Mock Pay Pool After-Action Report further appears to indicate that employee final appraisals were not based upon individual accomplishments, but were based upon “pre-determined rating quotas.” Under the GS system, an employee’s appraisal and resulting bonus, was determined by the employee’s supervisor (as the appraiser). It appears that an employee’s immediate supervisor would be the most logical person to evaluate an employee’s accomplishments and merits. Under the NSPS however, employee accomplishments are written by the employee’s supervisor, but the final decision on the employee’s appraisal rating is determined by the Pay Pool Team (*Ormond, June 29, 2006*), who is also appraising 50 to 300 agency employees. The NSPS appraisal process that was implemented at CMA appears to actually rate the supervisors’ rhetorical ability, as opposed to the employees’ actual accomplishments.

### **C. NSPS – VIEWED THROUGH THE EYES OF THE CMA MANAGER**

The data received from the research participants indicated that the views expressed by CMA Management participants were diametrically opposite the views expressed by the Non-Management participants. Except in isolated instances, it appears that the CMA Management participants expressed optimistic views of the NSPS, and the potential that the NSPS has to improve the current GS system. Although research

responses from CMA Management indicated that the NSPS had increased their workload, other responses expressed optimism that the NSPS would allow CMA managers to better manage their employees and more efficiently obtain their mission goals. While CMA Management research responses optimistically indicated that the NSPS would aid management in retaining and attracting the employees that are required to efficiently obtain their mission goals, CMA Management participant comments have indicated actual difficulty in attracting new employees into existing vacancies because the position was under the NSPS.

#### **D. RECOMMENDATIONS**

Numerous research participant responses indicated that the CMA Non-Management employees have lost their trust in CMA Management and failed to develop trust for the NSPS system. As expressed by the U.S. Office of Personnel Management (*OPM, April 2002*), trust in management and establishing the principles of equity, procedural justice and openness must be established to have an effective pay-for-performance system. To accomplish this, CMA Management must take active steps:

1. Primarily, CMA Management needs to re-establish credibility with the agency employees. They should consider conducting an agency-wide survey to determine the misconceptions and areas in which employees are lacking knowledge or have obvious misconceptions. CMA Management should then plan, and implement an effective method of educating the agency employees in the areas that they are lacking, thus increasing the “openness” of the process.

2. CMA Management should query the NSPS implementation team to identify any and all areas that are unresolved, or are not fully developed. Upon identifying these areas, the CMA Management should “freeze” implementation of the NSPS until all of the identified areas of concern are resolved. Following resolution of the issues, they should consider hosting an open forum to discuss these decisions and their impacts with the agency’s employees.

3. After CMA has re-established its credibility and better informed the CMA employees on the details of how the NSPS will operate and how it will effect the CMA

employees, CMA should consider conducting a survey of the CMA employees (similar to this research) to determine their success, and areas that need continued work. As expressed by numerous responses during this research, the morale and work productivity of the CMA employee is down. For CMA to operate more efficiently, morale and job performance of CMA's Employees needs to improve.

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## APPENDIX A. U.S. ARMY CHEMICAL MATERIAL AGENCY CONTROL POINTS MEMORANDUM



DEPARTMENT OF THE ARMY  
US ARMY CHEMICAL MATERIALS AGENCY  
5183 BLACKHAWK ROAD  
ABERDEEN PROVING GROUND, MARYLAND 21010-5424

AMSCM-D

20 AUG 2007

MEMORANDUM FOR All National Security Personnel System Supervisors

SUBJECT: Establishing Control Points for January 2008 Pay Increase Portion of Payout Distribution for National Security Personnel System (NSPS) Employees in the US Army Chemical Materials Agency (CMA)

1. REFERENCE: Department of Defense (DoD) Civilian Personnel Manual 1400.25-M, December 1996, Subchapter 1930, 28 April 2006.
2. PURPOSE: This memorandum establishes the CMA Control Points Policy. This policy describes the use of within-band control points in limiting salaries as part of the performance payout in January 2008 for employees under NSPS. This policy will not impact pay pool business rules or other decisions related to payout distribution.
3. SCOPE: This policy applies to all employees covered by the NSPS within CMA.
4. BACKGROUND:
  - a. CMA must establish clear, realistic goals for pay for performance before taking any action to change the salaries of our employees. One goal of pay for performance is to improve recruitment, retention, and motivation. In addition to NSPS pay band limits and the amount of funding available for payout, CMA will consider each employees' level of work and current salary in determining the pay increase portion of the payout distribution. Prior to conversion to NSPS in November 2006, an employee's salary was based on the level of work of his/her position under the General Schedule (GS), as well as his/her longevity which took the form of within grade pay increases. Under NSPS, the level of work of the position and the level of the employee's performance will form the basis for setting his/her salary and granting pay increases.
  - b. Because some employees in CMA have not yet been converted to NSPS, CMA must ensure reasonable equity of pay practices between the legacy (GS) system and NSPS for as long as we have employees in both systems. This is of utmost importance in organizations where employees in both personnel systems must work together to ensure mission success.
  - c. CMA has determined the best way to set employees' pay for the January 2008 payout is to tie the level of work of their position with their level of performance against their primary objectives. In addition to the salary limit for each pay band, NSPS

AMSCM-D

20 AUG 2007

SUBJECT: Establishing Control Points for January 2008 Pay Increase Portion of Payout Distribution for National Security Personnel System (NSPS) Employees in the US Army Chemical Materials Agency (CMA)

regulations provide the flexibility for agencies to use control points within pay bands (paragraph 9.5 of reference). Within-band control points are a tool to help manage compensation and employees' salary progression through the pay bands. NSPS guidance requires that control points be applied consistently to similar positions in the same pay band and career group within a pay pool. Similar positions are deemed to be those which require work of a comparable occupation and/or level.

d. In order to maintain equity of GS and NSPS employees while taking advantage of the flexibilities of NSPS, CMA will establish control points or salary limits for the January 2008 pay increase portion of the payout. These control points will directly link the maximum salary payable to an employee under NSPS in 2008 with their former GS grade, or the equivalent GS grade of the work of their position.

e. When an employee's salary reaches the control point, management must make a determination whether an employee's salary should progress beyond that point. The decision to advance an employee's salary beyond the control point is a deliberate one based on benchmarks against duties, responsibilities, and performance. If a decision is made not to advance an eligible employee's salary as part of the performance payout, a bonus will be given in lieu of an increase to base salary.

5. POLICY: CMA can use NSPS flexibilities to move the agency in the desired direction of pay for performance. As such, CMA has determined that the rating level of an employee's performance will be the deciding factor in advancing their salary beyond the established control point, and beyond the salary to which they would have been entitled under the GS.

a. Employees who receive a final rating of 3 from the 2007 pay pool process will have a control point/salary limit equal to the top salary for their former or equivalent GS grade.

b. Employees who receive a final rating of 4 from the 2007 pay pool panel process will have a control point/salary limit 5% above the top salary for their former or equivalent GS grade, not exceeding the top of their pay band.

c. Employees who receive a final rating of 5 from the 2007 pay pool process will have a control point/salary limit of 10% above the top salary for their former or equivalent GS grade, not exceeding the top of their pay band.

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SUBJECT: Establishing Control Points for January 2008 Pay Increase Portion of Payout Distribution for National Security Personnel System (NSPS) Employees in the US Army Chemical Materials Agency (CMA)

- d. As time progresses and performance is emphasized, CMA will evaluate how the pay for performance system is being administered and whether we are accomplishing our goals. We will use the results of our evaluations to determine which areas need improvement. In addition, we will strive to facilitate organizational change to evolve towards a performance-based culture.
- e. This policy will be in effect for the 2007 pay pool process and January 2008 pay increase portion of the payout.
- 6. The point of contact is the Human Resources Office, AMSCM-HR, (410) 436-5130.

Encl

  
DALE A. ORMOND  
Acting Director

CMA CONTROL POINTS

FORMER GS GRADE	CONTROL POINT		RATING (OF 4)		RATING (OF 5)	
	STEP 10	PLUS 5%	PLUS 10%	PLUS 5%	PLUS 10%	
5	\$33,309					
6	\$37,130					
7	\$41,262					
8	\$45,699					
9	\$50,470					
10	\$55,580					
	CANNOT EXCEED TOP OF BAND --					
	See Chart below					
11	\$61,068					
12	\$63,194					
13	\$67,039					
14	\$70,848					
15	\$74,981					
TOP OF BAND						
NSPS PAY		TOP SALARY				
SCHEDULE AND		TOP SALARY				
BAND						
YA-01		\$61,068				
YA-02		\$67,039				
YA-03		\$127,031				
YB-01		\$37,130				
YB-02		\$55,580				
YB-03		\$61,068				
YC-01		\$61,068				
YC-02		\$107,991				
YC-03		\$127,031				
YD-02		\$67,039				
YD-03		\$127,031				
YE-03		\$73,194				
YF-02		\$107,991				
YF-03		\$127,031				
YH-02		\$102,848				
YN-01		\$61,068				
YN-02		\$107,991				

*End*

## APPENDIX B. CMA MANAGEMENT QUESTIONNAIRE

**If you have no objection, please complete the following demographic questions:**

1) What is your gender?

Responses Offered:      Male      Female

2) What is your race?

Responses Offered: (AA) African American

(A) Asian

(C) Caucasian

(H) Hispanic

(NA) Native A

Do you have a disability?

Responses Offered: Yes No

## **End of Demographic Questions**

5) Prior to CMA implementing the NSPS, what was your GS grade

6) Do you supervise CMA employees and write their appraisals?

Responses Offered: Yes No

7) How many years have you supported the CMA mission?

8) Within how many years do you expect to retire?

Responses Offered: - 0 to 5 years

- 6 to 10 years
- 11 to 15 years
- More than 15 years

9) Are you currently in the NSPS?

Responses Offered:      Yes      No

10) As CMA was implementing the NSPS, and since it had been implemented, do you feel that CMA treated you as a “Valued Employee”?

Responses Offered:      Yes      No      Uncertain

11) Please rank the following in order of importance to you. (*1 being most important and 5 being the least important*).

Responses Offered:

- Salary
- Job Title, Position
- Friendship(s) in the Workplace
- Job Security, Retirement Plan
- A Challenging Job

12) Please rate the following items with regard to your satisfaction of CMA and your current job/position.

Responses Offered:      (1) Satisfied      (2) Unsure      (3) Unsatisfied

Items to be rated:

- Job Recognition
- Job Responsibility
- Potential for Advancement and Growth at CMA

13) Please rate the following items with regard to your satisfaction with CMA and your current job/position.

Responses Offered:      (1) Dissatisfied      (2) Unsure      (3) No Dissatisfaction

Items to be rated:

- CMA Supervision
- Pay and Job Security

- CMA Policies

14) Do you feel that the NSPS, or the manner in which the NSPS was implemented, has effected your job performance or motivation?

Responses Offered: (1) Significant Negative Effect  
(2) Moderate Negative Effective  
(3) No Effect at all  
(4) Moderate Positive Effective  
(5) Significant Positive Effect

15) If you had a choice, would you prefer to stay in the GS system or to switch to the NSPS?

Responses Offered: (1) GS (2) NSPS

16) Prior to the implementation of the NSPS, CMA distributed information through multiple sources. These sources were: (a) Town Hall meetings, (b) E-mails, (c) Memorandums, (d) Face-to-Face Training, (e) Internet Training sessions. Please rate each of these methods on their effectiveness to provide you correct and timely information regarding the NSPS.

Responses Offered: (1) Very Effective (2) Moderately Effective  
(3) Undecided (4) Moderately Ineffective  
(5) Not Effective at all

Informational method to be rated:

- Effectiveness of Town Hall meetings
- Effectiveness of E-mails
- Effectiveness of Memorandums
- Effectiveness of Face-to-Face Training
- Effectiveness of Internet Training sessions

17) Are you confident that the NSPS would appropriately compensate you for your performance?

Responses Offered: (1) Yes (2) Uncertain (3) No

18) Do you feel that the NSPS would better compensate your performance than the General Schedule (GS) system?

Responses Offered: (1) Yes (2) Uncertain (3) No

19) Do you think the NSPS will effect the amount you will receive for retirement?

Responses Offered: (1) Yes (2) Uncertain (3) No

19A) If you answered "Yes" to the above question, do you feel that the NSPS will have a positive or negative effect on your retirement?

Responses Offered: Positive Uncertain Negative

20) Since transferring into the NSPS, have you compared your potential bonus(s) and potential salary increases with you fellow employees still under the GS system?

Responses Offered: Yes No

20A) If the answer to the above question was "Yes," did you determine that you were better off under the NSPS or GS system?

Responses Offered: GS NSPS

21) Overall, do you feel that the NSPS will be more beneficial to the employee or to the Government?

Responses Offered: Employee Government

22) With your knowledge of the NSPS, if you had a son or daughter graduating from college, would you:

Responses Offered: (1) Recommend that they consider a career with the Federal Government (under the NSPS),  
(2) Not interfere, and let them make up their own mind,

(3) Recommend that they **NOT** consider a career with the Federal Government (under the NSPS).

23) With the BRAC closures arriving in the foreseeable future, numerous jobs are expected to be available at APG. If the jobs advertised, were under the GS system, and not under the NSPS, would you consider applying for a position at your same salary (i.e., pay band)?

Responses Offered: (1) Yes (2) Uncertain (3) No

24) Under the Total Army Performance Evaluation System (TAPES) system, appraisals were conducted at numerous times throughout the year, depending on the employee's grade. Under the NSPS, appraisals are conducted at only one point throughout the year. Which appraisal method do you prefer?

Responses Offered: (1) Prefer appraisals throughout the year,  
(2) Uncertain,  
(3) Prefer appraisals at one time during the year.

25) Under the NSPS, have your supervisory responsibilities increased over the responsibilities you had under the GS system?

Responses Offered: (1) Yes (2) Uncertain (3) No

25A) If you believe your supervisory responsibilities have increased, what percentage would you estimate that they have increased?

Responses Offered: (1) Increased 0% to 25%,  
(2) Increased 26% to 50%,  
(3) Increased > 50%.

26) During the past rating cycle (under the NSPS) have you observed an improvement in your staff's job performance?

Responses Offered: (1) Significant **increase** in performance  
(2) Moderate **increase** in performance

- (3) No significant change
- (4) Moderate **decrease** in performance
- (5) Significant **decrease** in performance

27) Under the NSPS, do you feel that you have more influence on improving your staff's performance?

Responses Offered: (1) Yes (2) Uncertain (3) No

28) Overall, as a supervisor, how would you rate the NSPS and its impact on your ability to better manage your employees?

Responses Offered: (1) Significant **improvement**  
(2) Moderate **improvement**  
(3) No significant change  
(4) Moderately more **difficult**  
(5) Significantly more **difficult**

29) Has the implementation of the NSPS made it easier for you to keep and attract the required workforce needed to accomplish your mission?

Responses Offered: (1) Significant **improvement**  
(2) Moderate **improvement**  
(3) No significant change  
(4) Moderately more **difficult**  
(5) Significantly more **difficult**

30) As a supervisor, do you feel as though your employees have embraced the NSPS?

Responses Offered: (1) Yes (2) Uncertain (3) No

## APPENDIX C. CMA MATRIX QUESTIONNAIRE

**If you have no objection, please complete the following demographic questions:**

1) What is your gender?

Responses Offered:      Male      Female

2) What is your race?

Responses Offered: (AA) African American  
(A) Asian  
(C) Caucasian  
(H) Hispanic  
(NA) Native American

3) Are you a Veteran?

Responses Offered: Yes No

4) Do you have a disability?

Responses Offered: Yes No

## End of Demographic Questions

5) Prior to CMA implementing the NSPS, what was your “GS grade?

6) Do you supervise CMA employees and write their appraisals?

Responses Offered: Yes No

7) How many years have you supported the CMA mission?

8) Within how many years do you expect to retire?

Responses Offered: - 0 to 5 years

- 6 to 10 years
- 11 to 15 years
- More than 15 years

9) Are you currently in the NSPS?

Responses Offered                    Yes                    No

10) As CMA was implementing the NSPS, and since it had been implemented, do you feel that CMA treated you as a “Valued Employee”?

Responses Offered:                    Yes                    No                    Uncertain

11) Please rank the following in order of importance to you. (*1 being most important and 5 being the least important*).

Responses Offered:                    - Salary  
     - Job Title, Position  
     - Friendship(s) in the Workplace  
     - Job Security, Retirement Plan  
     - A Challenging Job

12) Please rate the following items with regard to your satisfaction of CMA and your current job/position.

Responses Offered:                    (1) Satisfied            (2) Unsure            (3) Unsatisfied

Items to be rated:                    - Job Recognition  
     - Job Responsibility  
     - Potential for Advancement and Growth at CMA

13) Please rate the following items with regard to your satisfaction with CMA and your current job/position.

Responses Offered:                    (1) Dissatisfied            (2) Unsure            (3) No Dissatisfaction

Items to be rated:                    - CMA Supervision  
     - Pay and Job Security  
     - CMA Policies

14) Do you feel that the NSPS, or the manner in which the NSPS was implemented, has effected your job performance or motivation?

Responses Offered: (1) Significant Negative Effect  
(2) Moderate Negative Effective  
(3) No Effect at all  
(4) Moderate Positive Effective  
(5) Significant Positive Effect

15) With your knowledge of the NSPS, if you had a son or daughter graduating from college, would you:

Responses Offered: (1) Recommend that they consider a career with the Federal Government (under the NSPS),  
(2) Not interfere, and let them make up their own mind,  
(3) Recommend that they **NOT** consider a career with the Federal Government (under the NSPS).

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## APPENDIX D. CMA NON-MANAGEMENT QUESTIONNAIRE

**If you have no objection, please complete the following demographic questions:**

1) What is your gender?

Responses Offered:      Male      Female

2) What is your race?

Responses Offered: (AA) African American

(A) Asian

(B) Caucasian

(C) Hispanic

(NA) Native A

Responses Offered: Yes No

## **End of Demographic Questions**

5) Prior to CMA implementing the NSPS, what was your GS grade?

6) Do you supervise CMA employees and write their appraisals?

Responses Offered: Yes No

7) How many years have you supported the CMA mission?

8) Within how many years do you expect to retire?

Responses Offered: - 0 to 5 years

- 6 to 10 years
- 11 to 15 years
- More than 15 years

9) Are you currently in the NSPS?

Responses Offered: Yes No

10) As CMA was implementing the NSPS, and since it had been implemented, do you feel that CMA treated you as a “Valued Employee”?

Responses Offered: Yes No Uncertain

11) Please **rank** the following in order of importance to you. (*1 being most important and 5 being the least important*).

Responses Offered:

- Salary
- Job Title, Position
- Friendship(s) in the Workplace
- Job Security, Retirement Plan
- A Challenging Job

12) Please rate the following items with regard to your satisfaction of CMA and your current job/position.

Responses Offered: (1) Satisfied (2) Unsure (3) Unsatisfied

Items to be rated:

- Job Recognition
- Job Responsibility
- Potential for Advancement and Growth at CMA

13) Please rate the following items with regard to your satisfaction with CMA and your current job/position.

Responses Offered: (1) Dissatisfied (2) Unsure (3) No Dissatisfaction

Items to be rated:

- CMA Supervision
- Pay and Job Security
- CMA Policies

14) Do you feel that the NSPS, or the manner in which the NSPS was implemented, has affected your job performance or motivation?

Responses Offered:

- (1) Significant Negative Effect
- (2) Moderate Negative Effective
- (3) No Effect at all
- (4) Moderate Positive Effective
- (5) Significant Positive Effect

15) If you had a choice, would you prefer to stay in the GS system or to switch to the NSPS?

Responses Offered:

- (1) GS
- (2) NSPS

16) Prior to the implementation of the NSPS, CMA distributed information through multiple sources. These sources were: (a) Town Hall meetings, (b) E-mails, (c) Memorandums, (d) Face-to-Face Training, (e) Internet Training sessions. Please rate each of these methods on their effectiveness to provide you correct and timely information regarding the NSPS.

Responses Offered:

- (1) Very Effective
- (2) Moderately Effective
- (3) Undecided
- (4) Moderately Ineffective
- (5) Not Effective at all

Informational Method to be rated:

- Effectiveness of Town Hall meetings
- Effectiveness of E-mails
- Effectiveness of Memorandums
- Effectiveness of Face-to-Face Training
- Effectiveness of Internet Training sessions

17) Are you confident that the NSPS would appropriately compensate you for your performance?

Responses Offered: (1) Yes (2) Uncertain (3) No

18) Do you feel that the NSPS would better compensate your performance than the General Schedule (GS) system?

Responses Offered: (1) Yes (2) Uncertain (3) No

19) Do you think the NSPS will effect the amount you will receive for retirement?

Responses Offered: (1) Yes (2) Uncertain (3) No

19A) If you answered "Yes" to the above question, do you feel that the NSPS will have a positive or negative effect on your retirement?

Responses Offered: Positive Uncertain Negative

20) Since transferring into the NSPS, have you compared your potential bonus(s) and potential salary increases with you fellow employees still under the GS system?

Responses Offered: Yes No

20A) If the answer to the above question was "Yes," did you determine that you were better off under the NSPS or GS system?

Responses Offered: GS NSPS

21) Overall, do you feel that the NSPS will be more beneficial to the employee or to the Government?

Responses Offered: Employee Government

22) With your knowledge of the NSPS, if you had a son or daughter graduating from college, would you:

Responses Offered: (1) Recommend that they consider a career with the Federal Government (under the NSPS),

- (2) Not interfere, and let them make up their own mind,
- (3) Recommend that they **NOT** consider a career with the Federal Government (under the NSPS).

23) With the BRAC closures arriving in the foreseeable future, numerous jobs are expected to be available at APG. If the jobs advertised, were under the GS system, and not under the NSPS, would you consider applying for a position at your same salary (i.e., pay band)?

Responses Offered: (1) Yes (2) Uncertain (3) No

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## APPENDIX E. CONSOLIDATION OF RESEARCH PARTICIPANTS DEMOGRAPHICS

Question #1: What is your gender?	Non-Management Responses			Management Responses	Total Responses
	GS 6/7/8	GS 13	GS 14		
	GS 15				
Female	4	4	-	1	9
Male	0	7	7	5	19
Total Females:	9	Total Males:		19	

Question #2: What is your Race?	Non-Management Responses			Management Responses	Total Responses
	GS 6/7/8	GS 13	GS 14		
	GS 15				
African American	0	0	1	0	1
Asian	1	0	0	0	1
Caucasian	3	11	6	6	26
Hispanic	0	0	0	0	0
Native American	0	0	0	0	0

Question #3: Are you a Veteran?	Non-Management Responses			Management Responses	Total Responses
	GS 6/7/8	GS 13	GS 14		
	GS 15				
Yes	0	1	0	1	
No	4	10	7	5	
Total Non-Veterans:	26	Total Veterans:		2	

Question #4: Do you have a Disability?	Non-Management Responses			Management Responses	Total Responses
	GS 6/7/8	GS 13	GS 14		
	GS 15				
Yes	0	0	0	1	1
No	4	11	7	5	27
Total without disabilities:	27	Total w/disabilities:		1	

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